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## Japan Enacts a Plan to Answer U.S. Complaints on Trade Gap

By John Burgess  
*Washington Post Service*

TOKYO — The government, in a move to head off protectionist legislation by the U.S. Congress, approved a three-year plan Tuesday to encourage foreign sales in Japan.

The plan includes tariff cuts, a simplification of import procedures and standards, and other measures to promote imports.

In broad outlines were already known, but the government disclosed new details Tuesday, including a firm commitment to begin cutting tariffs on imported plywood in April 1987 and a willingness to end all tariffs on computer parts.

Japanese officials said the new aspects would demonstrate further that Japan was serious about addressing trade tensions with the United States.

Prime Minister Yasuhiro Nakasone, citing his administration's "wipe away" foreign criticism that Japan is unfair in trade, reiterated that the country must increase its imports and stimulate consumption at home.

Citing heavy budget deficits, Mr. Nakasone ruled out increased public spending to increase the demand for goods and services. But he said that in September the government would begin studying ways to stimulate economic activity through tax reform. Monetary policy and deregulation could also be used, he said.

In Washington, the United States reacted cautiously to the announcement, saying that the new trade program appeared to have long-term benefits but might not resolve immediate problems in the U.S.-Japanese trade relationship. The Associated Press reported.

The chairman of the Senate Commerce Committee said the plan's worth would be proved when more American goods began to be sold in Japan.

A U.S. official in Tokyo called the new measures a positive step for the long term. "They won't make a difference tomorrow, but over the next several years they will," he said.

Mr. Nakasone spoke in a nationally televised press conference after

and put fewer resources into exports.

Mr. Nakasone said that the government would not apply any additional formal restraints or surcharges on Japanese exports but would continue to pursue "orderly marketing," a term by which the Japanese mean informal restraints by individual companies so as not to severely disrupt trading partners' economies.

Mr. Nakasone's appeal Tuesday for more imports follows one that he made on national television in April. Japan has experienced a flurry of import fairs and company announcements of foreign purchases since then. But officials here are not able to offer any statistical evidence that the Japanese have become more open to foreign goods.

In fact, Japanese imports from the United States declined marginally in the first six months of this year, while exports to the United States continued to rise.

### ■ U.S. Reserves Judgment

The White House spokesman, Larry Speakes, announced the cautious U.S. reaction Tuesday in Washington.

"It is difficult to determine from the announcement whether the program will remove the bulk of these barriers in a timely fashion." The Associated Press quoted him as having said, "so we must reserve judgment until the effect of the program on our exports is realized."

"While a long-term effort is welcome, earlier implementation would help resolve crucial trade problems confronting us today," he said.

He declined to estimate what the plan would mean in dollar terms for Japan's trade surplus, which reached \$37 billion with the United States last year. But he said the amount would be "substantial."

Mr. Nakasone said that the government had begun studying ways to raise demand for goods and services at home. Leaders of the ruling Liberal Democratic Party favor such a step, which would mark a modification of Japan's traditional stress on high savings and low consumption.

American officials have previously praised the proposal, on the assumption that it would help correct trade imbalances by leading Japanese to buy more from abroad.



Yasuhiro Nakasone

Japan's economy is headed toward a significant slowdown, a new study finds. Page 13.

The U.S. merchandise trade deficit and the trade deficit with Japan both increased. Page 9.

His government approved the trade program.

"This will mean a major change in the Japanese nation's way of thinking and love of domestic products," he said.

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Secretary of State George P. Shultz and the Soviet ambassador to Washington, Anatoli F. Dobrynin, adopt similar body language as they converse in Helsinki before the conference.

## Pre-Summit Mood: U.S. and Soviet Engage in Duel of Thrust and Parry

By Hedrick Smith  
*New York Times Service*

WASHINGTON — The Soviet Union's announcement that it would halt nuclear testing from Aug. 6 until the end of the year is seen by U.S. officials as the latest in a pattern of moves by Mikhail S. Gorbachev to put pressure on President Ronald Reagan before their November meeting.

The United States has sought to deflect the Soviet moves and to try to keep Moscow on the defensive. The White House turned aside Mr. Gorbachev's testing moratorium Monday on the ground that the Soviet Union had conducted an accelerated program of tests, so a temporary suspension would cost little in the way of weapons development and could be followed later by more intensive testing.

The Soviet proposal Monday for a moratorium on nuclear testing was matched by Mr. Reagan's invitation for Moscow to send observ-

ers to a U.S. underground nuclear test.

At each important turn, the United States has reacted quickly to avoid being outflanked. Hints of Soviet flexibility on arms control

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have been discounted as too vague to suggest whether Moscow seriously wants a breakthrough or is merely posturing.

The White House turned aside Mr. Gorbachev's testing moratorium Monday on the ground that the Soviet Union had conducted an accelerated program of tests, so a temporary suspension would cost little in the way of weapons development and could be followed later by more intensive testing.

More broadly, U.S. political analysts say they believe Mr. Gorba-

chev has pursued a strategy of expanded political openings with China, France, Italy and the European Community as a means of putting pressure on Mr. Reagan.

On July 3, just hours before Moscow announced Mr. Gorbachev's agreement to meet with Mr. Reagan, the Kremlin disclosed that Mr. Gorbachev would go to France first.

He met earlier in Moscow with Prime Minister Bettino Craxi of Italy, and his government had extended political recognition to the European Community, two gestures aimed at improving political and economic relations with Western Europe.

On July 10, the Kremlin stepped up its level of cooperation with China by signing a \$14-billion, five-year trade agreement, despite

(Continued on Page 2, Col. 7)

## Helsinki Forum Reflects Soviet, U.S. Divergence

By Henry Tanner  
*International Herald Tribune*

Helsinki — Eduard A. Shevardnadze, the new Soviet foreign minister, and Secretary of State George P. Shultz of the United States offered conflicting views Tuesday on the subject they were commemorating: the signing 10 years ago of the Helsinki accords on European security, cooperation and human rights.

Observers nevertheless discerned some positive developments Tuesday.

Mr. Shevardnadze and Mr. Shultz, despite the bluntness of their language, went out of the way not to close doors on future U.S.-Soviet discussions.

Both referred in hopeful terms to the scheduled meeting in November between Ronald Reagan and Mikhail S. Gorbachev in Geneva.

Both made it clear that their governments attached great importance to the meeting.

European diplomats said that they were encouraged that the Russians and the Americans have brought some of their top negotiators to the Geneva arms talks to Helsinki.

The U.S. delegation was changed at the last moment to include Paul H. Nitze, the U.S. administration's senior adviser on arms control, and Max M. Kampelman, the chief U.S. negotiator on space and defensive arms at the Geneva talks to Helsinki.

As recently as last week it was not intended to make the two men part of the delegation, sources said. Mr. Kampelman was called back from a vacation, the sources said.

The Soviet delegation included two leading disarmament negotiators. One is Yuri A. Kvitsinsky, an ambassador-at-large who was the chief Soviet negotiator at talks on limiting medium-range missiles in Europe.

The other is N. N. Devjatov, who was listed as a member of the Soviet delegation to Geneva.

Mr. Shevardnadze, who was

making his first public speech in the West as foreign minister, repeated many of the allegations of his predecessor, Andrei A. Gromyko.

He accused the United States of deploying first-strike nuclear missiles in West Europe, of violating treaties limiting strategic offensive arms and anti-ballistic missile systems, and of being determined to go through with its Strategic Defense Initiative "by whatever means."

He said that the Reagan administration was reluctant to negotiate To Soviet dissidents, the Helsinki pact was human-rights promise without substance. Page 2.

"businesslike manner" at the Geneva arms talks.

He asserted that unnamed "revisionist" forces in the West were "attempting to question" the territorial agreements made at Yalta and Potsdam that set the postwar borders of Europe.

He warned that "if someone counts on negotiating with the Soviet Union from a position of strength" he should abandon such an illusion.

Mr. Shultz, in his speech 20 minutes later, did not respond to the Soviet statements, but detailed what he called specifics in the realm of human rights.

He named more than 20 cases, including those of the Nobel laureates in physics, Andrei D. Sakharov, Yuri F. Orlov and Anatoli B. Shcharansky, who have suffered persecution. Mr. Shultz cited these as evidence that the Soviet Union not only had failed to live up to the human rights commitments it accepted in 1975 but also that the rights situation in the Soviet Union has worsened.

Mr. Shultz and Mr. Shevardnadze were to meet privately at least once Wednesday.

The composition of their delegations

(Continued on Page 2, Col. 5)

## No Sales Yet In U.S. Farm Exports Plan

By Ward Sinclair  
*Washington Post Service*

WASHINGTON — The Reagan administration's program to subsidize U.S. farm exports by giving away surplus government commodities has produced no final sales agreements after two months of operation, but Agriculture Department officials say it is too early to consider the program dead.

Under pressure from members of Congress from agricultural states to reverse the drop in farm exports, Agriculture Secretary John R. Block announced in May that up to \$2 billion in government-subsidized surpluses would be used to bolster sales.

The announcement caused controversy when Mr. Block said that the subsidized sales, although contrary to the administration's trade policies, would be targeted on markets that the United States had lost to what he called its competitors' unfair trading practices.

The first subsidized sale was offered to Algeria, formerly a major buyer of American wheat, but the Algerians have not responded with tender offers. Algeria now relies on the European Community for much of its wheat, which is available at a lower cost because of the EC's export subsidies.

A second subsidized sale is planned, but details are not final. Egypt is another former major buyer of American wheat that now gets about 70 percent of its supplies from the EC.

The process is very much under way," said Daniel G. Anstutz, undersecretary of agriculture for international affairs and commodity programs, "but one thing that has slipped through the cracks in all this is that these offers are for a 12-month period."

"We did not expect people to rush out and buy right away," Mr. Anstutz said. "We'd love for them to announce tenders five minutes after we offer one of these initiatives, but remember, this is a boy's market for these products."

He predicted that Egypt would announce a tender offer for wheat flour within the next few weeks, which likely will be the first test of the subsidy program.

"We're expecting some tenders fairly soon," said Paul Green, an official of the Millers National Federation, who was in Cairo last week. "Buyers have reacted positively. This is a complicated program, but we think it will work for



Konstantin U. Chernenko with Leonid I. Brezhnev at 1979 talks in Vienna.

## Soviet Mystery: Why Chernenko After Andropov?

By Dusko Doder  
*Washington Post Service*

MOSCOW — Precisely why and how Konstantin U. Chernenko was selected to succeed Yuri V. Andropov as Soviet leader is still a mystery. When the choice was announced Feb. 13, 1984, it came as a jolt to much of the nation.

The next day a physically exhausted Chernenko faced the nation from the Lenin Mausoleum, presiding over the Andropov rites.

First impressions often become lasting images, and in Chernenko's case these were devastatingly negative. As the Spassky Tower bells signaled noon and the new leader seemed not quite sure how to proceed, the voice of Foreign Minister Andrei A. Gromyko had clearly heard over the loudspeakers.

"Don't take off your hat," he said, turning toward Chernenko.

The new leader looked to his left, got an approving nod from a fellow Politburo member, Viktor V. Grishin, and began to read his speech. One could see his breath in the freezing cold. It was the shallow breath of a man with a respiratory problem. His voice lacked firmness. He slurred his words, and one often could not make out where his sentences began and ended.

Next was Mr. Gromyko, whose oration was a masterpiece. He seemed truly to mourn Andropov. As did the following speaker, Defense Minister Dmitri F. Ustinov.

It was the picture of these two powerful figures, who spoke forcefully and appeared physically far more vigorous than Chernenko, although he was a few years younger than they, that made the new leader appear a feeble and indecisive old man surrounded by party barons.

It is difficult to overestimate the importance of style and instincts a general secretary of the

Soviet Communist Party brings with him to the office. The office itself is not only the center of action in the system. In a strictly hierarchical political set-up, it is everything.

These early impressions of Chernenko, however, turned out in some ways to be unfounded. Less than a year after taking over, for example, Chernenko almost single-handedly engineered a

### Power in the Kremlin

Brezhnev to Gorbachev

Second of three articles

crucial shift in Soviet policy toward the United States. He brought Moscow back to the nuclear arms negotiations at Geneva that Andropov had ordered Soviet delegates to walk out on late in 1983.

It would be difficult to imagine a truly indecisive and feeble man rising to membership in the Soviet Politburo, let alone aspiring to become the country's leader.

For nearly three decades, Chernenko had served as the closest aide to Leonid I. Brezhnev. He knew all the secrets and saw all papers and documents before they came to Brezhnev's desk. During Brezhnev's last, ailing years, it was Chernenko who in effect ran the country.

People who knew Chernenko described him as a man of above average intelligence with a talent for organization and a mastery of technical details. Even his detractors concede that he was an efficient administrator with whom they liked to deal on business more than with any other member of Brezhnev's entourage.

Yet his mind, for all its clarity, was conver-

tional in the traditional mold of a successful party bureaucrat. He was, as a senior Soviet official put it

# India's Sikh Accord: Skill, Risks, Compromise (and Luck)

By Steven R. Weisman  
New York Times Service

**NEW DELHI** — Luck, political maneuvering and willingness to take risks all helped produce the historic accord that Prime Minister Rajiv Gandhi and Sikh political leaders reached last week.

But these same factors also point to the delicacy of the agreement, the difficulties that lie ahead and the dangers of further agitation and bloodshed.

A high aide to Mr. Gandhi said Monday that the mood around the

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prime minister since the accord has been euphoric. The agreement was his biggest triumph since the election victory last December.

The agreement was seen by his aides as vindication of Mr. Gandhi's conciliatory attitude and his determination to settle what he called the No. 1 domestic problem.

The accord, which was formally approved by mainstream Sikh political leaders on Friday, led to a formal declaration by the Sikhs that they would end agitation for greater control in the Punjab, their home state.

The accord includes a change in the boundaries to give Sikhs more power, more lenient treatment for Sikhs arrested in rioting and referral of several issues to judicial panels.

The accord has gained widespread acceptance among Sikhs and Hindus, but key groups continue to reject it, charging that it does not satisfy their demands for autonomy in Punjab, relief for victims of anti-Sikh rioting and leniency for those arrested in a crackdown on Sikhs.

The critics include only the most militant Sikhs, who are believed to have been responsible for much terrorism in the last three years.

But even if the radicals are isolated politically by the moderates, as many expect, they might disrupt the drive to restore stability.

Some officials fear that raids and arrests to suppress the radicals could rekindle Sikh bitterness.

"We will not allow anybody to disturb the peace at this stage," said Arjun Singh, governor of Punjab and the principal negotiator of the accord.

The story of how Mr. Gandhi negotiated an agreement offers a glimpse into the influence of politics, principle and public attitudes in India.

In the view of most experts, the prime minister was able to make a breakthrough because the public grew weary of violence.

## Troops Intervene at Temple

The Associated Press

**AMRITSAR, INDIA** — Paramilitary forces entered the Golden Temple complex here Tuesday to disperse Sikh moderates and militants who were battling with rocks, swords and gunfire. Dozens of people were reported injured.

At least 50 shots were fired by rival activists before the violence was stopped, city police said. Authorities arrested 62 Sikhs, all identified as members of the militant wing of the Sikh political party, Akali Dal, police officials said.

The militants object to the recent peace accord with the central government, signed by a moderate Sikh leader. Sikhs have been agitating for greater autonomy from the central government.

Troops were reportedly still inside the temple complex, guarding a party faction meeting called by the moderate leader, Harchand Singh Longowal. Mr. Longowal had called a meeting of distinct party chiefs inside the temple complex to get support for the agreement with Prime Minister Rajiv Gandhi. The meeting began under heavy police guard after the disturbances were quelled.

The clash flared when a bodyguard of Mr. Longowal fired shots in the air to disperse militant youths who surrounded the elderly leader's car as it approached the main temple hall.

Last fall, after Prime Minister Indira Gandhi was assassinated and two Sikh security guards were charged, a cry for vengeance erupted and thousands of Sikhs were killed by mobs in New Delhi and across much of northern India.

By contrast, recent bombings in New Delhi and the crash of the Air-India Boeing 747 into the Atlantic, believed by many to be the work of Sikhs, brought revulsion.

Mr. Gandhi thus found he could act with more latitude toward Sikhs, bolstered by his election less than two months after the death of his mother.

In the election campaign, for example, Mr. Gandhi repeatedly identified himself with the cause of national unity, declaring that the Sikh party's platform was secessionist. But in the accord worked out last week, he simply accepted Sikh assurances that it was not.

Until recently, Mr. Gandhi's aides said, the prime minister was frustrated by the absence of a moderate voice among the Sikhs leaders. Even Harchand Singh Longowal, the 57-year-old preacher and president of Akali Dal, the main Sikh party, praised the men accused of killing Mrs. Gandhi.

Political commentators now say that these and other statements by Mr. Longowal were an attempt to establish credibility among the more militant Sikhs so he could assume the role of negotiator.

A turning point came in May, when a leader of the radicals tried to gain control of the fractious Sikh party. Mr. Longowal threatened to resign and won a renewed vote of confidence.

The next month, when Sikhs marked what they called Genocide Week, commemorating the first anniversary of the army raid on the Golden Temple in Amritsar, their holiest shrine, the demonstrations were notably peaceful.

Aides to Mr. Gandhi said this was the signal he was waiting for to begin talks.

To reach Mr. Longowal, the prime minister tapped a respected confidant and politician rather than a bureaucrat, Arjun Singh, who is not a Sikh, gained credibility as governor of Punjab by scolding newspapers for reports of atrocities against Sikhs and acting to compensate the victims.

While Mr. Singh began making secret contact, the potential deal was sweetened by the largesse that only a prime minister can offer.

Mr. Gandhi agreed that the Punjab would receive no smaller a share of vital river waters than it does now and might receive a larger share. Punjab would also have sole control over the sleek new capital of Chandigarh instead of sharing it with Haryana.

In addition, Punjab's boundaries would change to increase its proportion of Sikhs. Finally, Mr. Gandhi offered legislation to let Mr. Longowal and his allies eventually take more control over the revenues and resources of Sikh temples.

At the same time, Mr. Gandhi displayed a firmness, perhaps even ruthlessness, in demanding that his Congress Party allies go along.

For example, the chief minister of Haryana opposed the loss of Chandigarh to the Punjab. But the official had recently been the focus of corruption charges, and Mr. Gandhi was reportedly not above using this leverage.

The prime minister still faces a balancing act to put the accord into effect. He must placate allies who charge that he gave away too much and worry about the inevitable complaints from Sikhs over interpretations.

## WORLD BRIEFS

### Sheikh Reports Failure on Hostages

**BEIRUT (UPI)** — Sheikh Mohammed Hussein Fadlallah, a Shi'ite religious leader, said in an interview Tuesday that his efforts to win the release of seven American hostages and four Frenchmen kidnapped in Beirut had been unfruitful, and he expressed fears that their fate might be beyond his control.

Sheikh Fadlallah is also believed to be the spiritual guide of the Hezbollah, or Party of God, a militant Shi'ite faction. He denies that he has this title or links to any faction, though he admits that he has special influence as a clerical leader.

The hostages have been presumed to be held by militant Moslem organizations. Syria has made an effort to obtain the release of the 11 and two others, a Briton and an Iranian, in the last week.

### U.S., Soviet Reach Air Safety Accord

**WASHINGTON (UPI)** — The United States and the Soviet Union have reached a preliminary agreement to increase the safety of civilian air traffic in the North Pacific area where a Korean Air Lines jet was shot down over Soviet territory in 1983, it was announced Tuesday.

The announcement of the pact by Transportation Secretary Elizabeth Hanford Dole did not mention the KAL incident. Other officials, who asked not to be identified, said that the measure was clearly in response to the Soviet downing of the jetliner Sept. 1, 1983. All 269 people aboard were killed.

Mrs. Dole said that the agreement, which includes Japan, was reached in Tokyo on Monday. She termed it "an encouraging step toward enhancement of the safety of civil air traffic in the North Pacific region." She said when put into effect, the agreement will provide for a new communications network between air traffic control centers in Anchorage, Alaska, Tokyo and Khabarovsk, U.S.S.R.

### Thatcher to Ignore Defeat on Raises

**LONDON (Reuters)** — Prime Minister Margaret Thatcher plans to go ahead with salary increases for leading British officials despite her Conservative government's defeat on the issue in the House of Lords, her aides said Tuesday.

In an unexpected rebuff, the Lords voted, 140-135, Monday night for a Labor Party motion condemning the proposed increases of 3.76 percent for 2,000 military leaders, judges and high civil servants. The move came while teachers were being offered 6 percent.

Mrs. Thatcher's aides said the prime minister was intent on implementing the increases to make sure that people of the highest quality remained in public service.

### 8 Named to Ugandan Ruling Council

**NAIROBI (UPI)** — In his first major move to rebuild Uganda's government, Lieutenant General Tito Okello named eight members to a ruling military council Tuesday. He then flew to Tanzania for a meeting with that country's president, Julius K. Nyerere, according to the Ministry of Foreign Affairs in Dar es Salaam.

At least one of General Okello's appointees to the council, a field commander in Uganda's five-year rebel movement, turned down the job, according to a Nairobi spokesman for the National Resistance Army. Rebel leaders, with an estimated 3,000 well-armed and experienced troops, complained Tuesday that they had not been consulted in the formation of the government.

Western diplomatic sources, who declined to be identified, further described the fighting as the heaviest in the capital in years. They said the fighting raged across the city and that Soviet forces retaliated with missiles and artillery.

Large guerrilla forces attacked Kabul airport and the adjoining Soviet air base Saturday night, and the fighting rapidly spread across the northern areas of the city, the sources said.

These moves came as relative calm returned to the Ugandan capital of Kampala, where nearly every store and office in the city had been looted since General Okello overthrew the government of President Milton Obote on Saturday. Pedestrians returned to the streets and some offices and shops were opened. There was, however, almost nothing in the city to buy.

**Spain to Start Review on U.S. Bases**

**HELSINKI (Reuters)** — Spain said Tuesday it wanted to start a review in October of the status of the four U.S. bases on its soil to bring them into line with the new strategic implications of Spanish membership in the North Atlantic Treaty Organization.

Foreign Minister Francisco Fernández Ordóñez of Spain said George P. Shultz, the U.S. secretary of state, had agreed during a half-hour meeting here that officials of both countries should meet in Madrid to draw up a detailed report on the base question, but that no date had been set.

Mrs. Ordóñez and Mr. Shultz are in Helsinki to attend observances of the 10th anniversary of the Helsinki accords, which began Tuesday in the Finnish capital.

### For the Record

An Israeli was shot in the back and killed Tuesday as he walked in central Nablus, the authorities said. The man worked at the military governor's headquarters in the West Bank city.

President Li Xiaman of China has finished the working portion of his 10-day U.S. tour and is relaxing in Hawaii for two days before leaving Wednesday for home.

A bill to grant legal status to aliens now living and working illegally in the United States cleared the Senate Judiciary Committee on Tuesday by a vote of 12-4.

### Thrust and Parry for Summit

(Continued from Page 1) continuing disagreement with Beijing.

He thinks the Gorbachev leadership is skeptical of the chances for achieving political accommodation and economic cooperation with the Reagan administration.

The administration's analysts are less pessimistic. They are intrigued by the hints of Soviet flexibility in the arms control field and hopeful that pressures on Mr. Gorbachev from the domestic economy will impel him toward moderation of the military buildup.

But they also see signs of a hardened policy, especially in the more vigorous Soviet military campaign in Afghanistan, in incidents where Afghan fighter planes have penetrated Pakistani airspace pursuing Afghan rebel bands, and in stepped-up military aid to North Korea.

Nonetheless, U.S. officials believe the Soviet-U.S. competition remains the primary concern of Soviet foreign policy and that Mr. Gorbachev's early maneuvers are preliminaries to the Reagan-Gorbachev meeting.

"It looks to me as though Gorbachev is engaged in a dual-track strategy that could be designed to bring pressure on us at the summit to make important concessions on an issue like strategic defenses," a policy-making official said.

For all its protests about Soviet disengagement on arms control, the administration itself is quietly at work to prevent a summit meeting without substantive agreements even if the arms-control deadlock cannot be broken.

Officials have drawn comfort from the progress they reported in the talks in Tokyo between Soviet, U.S. and Japanese officials on an air-traffic agreement that would help prevent another airline incident in the Northwest Pacific.

Were that to be achieved, it could lead to restoration of Aeroflot flights to the United States, as well as an agreement to open consulates in New York and Kiev.

This quiet diplomacy suggests that while both sides are jostling in public with rival initiatives, seeking advantage in the realm of public relations, they are privately probing for a modest accommodation.

### Soviet Dissidents Call Helsinki Pact a Failure

By Celestine Bohlen  
*Washington Post Service*

**MOSCOW** — Naum Meiman still keeps a copy of the 1975 Helsinki accords in a drawer of his big wooden desk. In the same drawer he has letters dating back 10 years, appealing to Soviet officials for permission to join his daughter in Aug. 19.

A senior State Department official said that "this is a very dangerous period. What we're trying to say is, now is the time to get into bargaining with the black leadership."

"We believe South Africa's internal situation is such that a meeting between the state president and important black leaders is imperative. Dialogue between the government and the nation's black leaders is the only way out of the crisis South Africa faces."

Bishop Tutu, the 1984 Nobel Peace Prize winner, was rebuffed when he called Mr. Botha and asked for an immediate meeting.

Mr. Botha issued a statement that said his schedule was too heavy. It noted that Bishop Tutu was a part of a delegation of Anglicans scheduled to meet with the president Aug. 19.

A senior State Department official said that "this is a very dangerous period. What we're trying to say is, now is the time to get into bargaining with the black leadership."

But some experts agree with Mr. Grundy that the concept of a citizen army "is a nice myth which the government would like to retain, but which no longer has much reality."

Most of this is due to the increasing professionalism of the South African Army, which mostly took place when Pieter W. Botha, now the president, was defense minister from 1966 to 1980.

Under South African law, which defines the army and the police as a "single component" of the security system, almost all white males are subject to conscription. Drafttees must serve two years of active duty, and about 24,000 men a year are drafted.

They are trained, led and technologically supported by what is called the Permanent Force, which totaled 29,300 men in 1983. Thus, the standing army at any time is about 77,000.

But some of the Citizen Force reserves are always on duty. By law such well-trained reserves are required to serve 7,200 days, nearly two years, on active duty before retirement in their mid-50s.

Much like the Israeli Defense Forces, whose soldiers in any major war come primarily from the reserves, these are not marginally useful troops but the heart of the South African armed forces. In the invasion of Angola in 1975 and 1976, many of the ablest units went farthest into Angola were Citizen Force units.

In the present crisis, as in past periods of tension, the black members of the police have increasingly had to move their families out of segregated black townships to military compounds; they cannot legally live in "white areas." They have moved because black militants have increasingly begun to attack and kill people they regard as "collaborators" or informers.

In these and other key areas of human rights, the legacy of the Helsinki accords, the Soviet Union is, on the whole, seen as a dismal one. Other countries in the Eastern bloc have had a slightly better record.

In a report on the agreement's 10th anniversary, the U.S. Helsinki Watch Committee concluded that while the situation remained grim in Eastern Europe, "the ferment in many of the countries in question has never been greater."

The efforts on behalf of human

rights, against great odds, is a testament to Helsinki, the group said.

In the Soviet Union, officials are increasingly ready to take the offensive on human rights, cite a number of areas where Soviet society has opened up since 1975. They list, for instance, the increasing numbers of Western publications, a rise in tourism, trade and foreign television programs, the easing of fees and procedures for visa applications and more contacts between Soviet and foreign religious groups.

But to critics at home and abroad, the Soviet argument misses a key point. In the years since 1975, freedom of movement, freedom of information, freedom of expression have, if anything, been curtailed.

Since the 1975 ceremony at Helsinki, virtually all the major human rights movements have been forcibly ushered off the stage. Many of these were, not coincidentally, members of the Helsinki Watch group, including Yelena G. Bonner, wife of Andrei D. Sakharov, the Nobel Peace Prize winner; Yuri F. Orlov, founder of the group, now in exile after serving seven years in a labor camp, and Anatoli B. Shcharansky, serving a 10-year sentence on charges of espionage.

The wave of arrests of the Helsinki Watch members began in 1977.

Specialists in Soviet affairs say they believe Mr. Gorbachev wants to tap the benefits of Western technology, as well as slow down or halt Mr. Reagan's space-based defense against missiles.

Jerry F. Hough, professor of political science at Duke University, says Mr. Gorbachev is subtly reorienting foreign policy away from a preoccupation with the relationship with the United States.

Describing Andrei A. Grinko, the former foreign minister, as an advocate of a U.S.-oriented foreign policy, Professor Hough contends

that his replacement is an omen of impending shifts.

Moscow previously had agreed to revise its aid program to renovate 17 Soviet-built factories in China and build seven new ones.

The administration's analysts are less pessimistic. They are intrigued by the hints of Soviet flexibility in the arms control field and hopeful that pressures on Mr. Gorbachev from the domestic economy will impel him toward moderation of the military buildup.

But they also see signs of a hardened policy, especially in the more vigorous Soviet military campaign in Afghanistan, in

## BRIEFS

## Republicans Warn Reagan Against Stand On Deficit

By David Hoffman

*Washington Post Service*

WASHINGTON — President Ronald Reagan refused Tuesday to reconsider his rejection of tax increases or changes in Social Security benefits, prompting Republican leaders to predict that Congress would produce a sharply scaled-down reduction in the deficit this year.

The House minority leader, Robert Michel of Illinois, said after meeting the president with other Republican legislators that Congress was "obviously" going to fall short of the original target of a \$50-billion deficit reduction this year.

Representative Michel predicted approval of a budget reducing the deficit by \$40 billion.

However, Senator Pete V. Domenici, the Senate Budget Committee chairman, said: "Any chance for this year getting a real, significant, reliable, credible deficit-reduction package is gone."

The Senate majority leader, Robert J. Dole of Kansas, who was critical of Mr. Reagan's decision to oppose an import fee and Social Security benefit delays, did not show up for the meeting with the president. He and other Senate Republicans expressed anger at Mr. Reagan's refusal to support their deficit proposals.

"I think for a while, at least," Senator Dole said, "there'll not be too many Republican senators willing to please from the White House on anything."

### ■ Defense Bill Delayed

The House Democratic leadership Tuesday delayed until September any floor vote on a bill authorizing Pentagon spending for the next fiscal year, The Associated Press reported.

The House speaker, Thomas P. O'Neill Jr. of Massachusetts, said that "there were a lot of feathers ruffled there" among House Democrats upset about concessions made to the Senate during a House-Senate conference committee.

The Senate, meanwhile, approved compromise legislation authorizing \$12.7 billion in foreign aid for each of the next two years and providing for the resumption of direct U.S. assistance to the anti-Sandinist rebels in Nicaragua.

The legislation was sent to the House, where passage would mark the first time Congress has agreed on foreign aid spending authority in four years.

## Rape Lawsuits: Seeking to Legislate More Caution

### Victims Sue Landlords, Employers Who Could Have Prevented Attack

By Saundra Saperstein

*Washington Post Service*

WASHINGTON — A growing number of women are responding to rape by filing lawsuits, not against their attackers but against those whose negligence may have contributed to the crime.

They have sued owners of apartment buildings, hotels and businesses for failing to provide adequate security. They have sued employers who hired applicants with serious criminal records for jobs that require dealing with the public.

"While the criminal justice system works to deter the assailants, the civil system tries to deter the dangerous conditions."

Ellen Carson  
attorney

female employees to their cars, Mr. Yoshi said.

In 1983, an Illinois jury awarded \$200,000 to a woman who was raped on a Chicago Transit Authority train when an assailant dragged her into an unused motor-man's compartment.

Her attorney, Kevin Conway, said a study had recommended that the unused compartments be closed because "criminals could conceal themselves from those they were about to prey on."

The transit authority appealed, but the judgment was upheld.

In January, a Texas jury awarded nearly \$5 million to a Mexican woman and her two young daughters. The woman was raped and her 3-year-old child held at gunpoint by the driver of a Fort Worth cab. According to her attorney, Broadus Spivey, the driver had been convicted of armed robbery and charged with assault with intent to commit rape before he was hired, but the Fort Worth Cab & Baggage Co. never checked his record.

The women do not claim that the defendants in these civil suits directly had a hand in the crime or intended any harm. But more juries are ruling that defendants should have anticipated what might happen as a result of hiring, or decisions that pit security against cost. Failure to take reasonable preventive measures can be negligence.

In 1980, an Indiana jury awarded \$300,000 to an Avon car rental agent who sued the company after being raped by a fellow employee in Indianapolis. A second agent received a \$300,000 settlement after being raped by the same man.

### MEMORIAL SERVICE

### MANDY LAWTHIER

A memorial service for Mandy Lawthier will be held at the American Cathedral, 23 Avenue George V, Paris, at 6 p.m. on Thursday, August 1st.

## AMERICAN TOPICS



**STILL GROUNDED** — The Trans World Airlines plane that was hijacked last month to Beirut and Algiers remains on the tarmac at Beirut International Airport.

### New Collar' Voters: The Fickle Class

during the hijacking would be credited under TWA's "frequent flier" program, TWA said yes. The airline indicated that other passengers on the flight would be similarly credited. The credits are used to obtain free flights.

The biggest single error in law enforcement in decades has been taking policemen off the beat and putting them in patrol cars, according to Thomas Repetto, president of New York City's Citizens Crime Commission, a watchdog group organized by businessmen. "Police lost contact with the public, particularly young people," Mr. Repetto said. "The policeman walking the beat 'has been government's answer to urban violence for 100 years, and should be again."

At least six employees of The New York Times Co. contracted symptoms of Legionnaires' disease and 23 others reported respiratory problems before the outbreak subsided, company officials say. According to Dr. Edward Brown, The Times' medical director, 29 cases of respiratory illness have been diagnosed among workers in the newspaper's midtown Manhattan building since mid-June.

New Collar voters form roughly 15 percent of the national electorate and lead all voters in ticket-splitting. They differ from their blue-collar parents in that they are difficult to engage in campaign politics or political organizations.

### Short Takes

Arthur and Debra Toga of St. Louis, Missouri, were hostages on the Trans World Airlines flight hijacked last month. When they asked the airline if their extra flights to Algiers and Beirut

## Shuttle Crew Faces Problems With Tests

Reuters

CAPE CANAVERAL, Florida — Astronauts aboard the U.S. shuttle Challenger, after the failure of a main engine minutes after launching Monday, encountered new problems Tuesday with astronomy experiments that they are trying to carry out in space.

The Challenger, with the European-built Spacelab aboard, reached a lower-than-planned orbit Monday after one of its three main engines failed six minutes after takeoff from Cape Canaveral.

It was the first major engine malfunction on ascent in 19 shuttle flights. Officials of the National Aeronautics and Space Administration said that the Challenger came within 33 seconds of having to make a forced emergency landing at a U.S. military base in Spain.

After weathering the crisis, the Challenger's seven-member crew turned to the task of transforming the space ship into a flying astronomical observatory.

The Spacelab, a 34-foot-long (10-meter-long) laboratory anchored in the Challenger's open cargo bay, was smoothly activated early Tuesday but attempts to operate its telescopes and other scientific devices, known as the Instrument Pointing System, ran into serious obstacles.

Jesse W. Moore, head of the shuttle program for NASA, said after Monday's engine failure, "We are pretty optimistic about achieving all the goals of the mission."

Ground controllers at one point called an "abort to orbit."

The shuttle managed to achieve a noncircular orbit that was about 170 miles (274 kilometers) at its highest point, about 70 miles short of its goal of about 240 miles.

Officials said the orbit was high enough so that it would not force the shuttle to re-enter Earth's atmosphere unexpectedly.

Mr. Moore later played down the problems, saying "abort" was too strong a word to describe the events. "We ought to purge the words 'abort to orbit' as long as we get into orbit," he said.

NASA officials said that the chief problem was a malfunction in a \$60-million West German-built telescope aiming platform that controls three solar experiments and an atmospheric measuring device.

The testing of the platform is regarded as a crucial objective of the seven-day mission. The device is to be used again next March when shuttle astronauts study Halley's comet.

Astronauts aided by advice from technicians on the ground also



Jesse W. Moore, director of the U.S. space shuttle program.

were trouble-shooting mechanical problems on two solar projects aboard the Spacelab.

NASA scientists remained concerned that the Challenger's failure to reach its planned orbit would prevent the mission from achieving some of its scientific goals.

The Spacelab's \$78-million experiment package is to be used to study the sun, probe Earth's atmosphere and scan neighboring galaxies for signs of "black holes," or hypothetical collapsed stars with small diameters and intense gravitational fields.

The shuttle has a flight path about 195 miles above Earth, 45 miles short of its initial target.

The shuttle is scheduled to land Aug. 5 at Edwards Air Force Base in California.

■ **Problems With Instruments**

Thomas O'Toole of The Washington Post reported from Cape Canaveral:

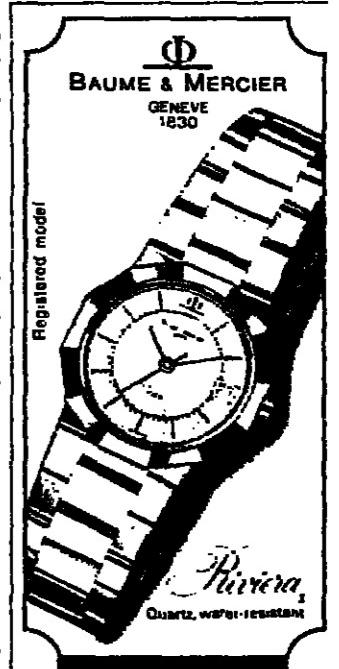
The \$60-million Instrument

Pointing System was stowed and locked in the Challenger's cargo bay Tuesday after the shuttle's crew failed to lock the system onto the sun following at least five attempts in orbit.

A filter on the West German-built IPS was letting in too much light at the same time a pair of gyroscopes were allowing the system to drift in two of three axes at rates that were unacceptable to the crew.

The IPS was making its maiden voyage in space to help aim four telescopes at specific regions of the sun to get what still is hoped to be an unprecedented closeup look at sunspots as they form and at the superheated corona that surrounds the sun's surface out to a distance of one million miles.

"If the IPS doesn't work, the whole mission to Halley's comet is down the drain," said Leon Allen, Halley's comet mission manager, from the Marshall Space Flight Center in Huntsville, Alabama.



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### MEMORIAL SERVICE

### MANDY LAWTHIER

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# INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

## A Failure of Leadership

In an astonishingly reckless act, President Reagan has demolished the Republican senators' plan to cut the budget deficit. Mr. Reagan did not like the oil tax or the temporary crimp in Social Security benefits — the two elements that made the senators' proposal a serious one. Political tradition holds that it is the president's job to lead us toward a budget, but Mr. Reagan wants Congress to do it. He declines to take the initiative. This is leadership?

When the tax cut was being passed four years ago the administration argued vehemently that deficits would drop to zero because the lower tax rates would set off a gigantic surge of savings, investment and economic growth. All of that has turned out to be dead wrong. The indicators of savings, investment and growth have all been approximately the same under Mr. Reagan as under Mr. Carter, or somewhat lower. Meanwhile the budget deficit is creating its counterpart abroad — a U.S. foreign debt that by the end of the year will be larger than Brazil's or Mexico's. As the Brazilians and Mexicans can testify, when foreign creditors decide that it is time to pay it will mean a sudden, severe drop in standards of living. Then the United States will have to go to work to make its debt payments through export industries weakened by years of oversold exchange rates.

Spending cuts alone will not suffice to get the budget deficit under control. It is going to take a tax increase. As long as Mr. Reagan continues to oppose all tax increases, he is opposing all significant remedies for an American economy that is now running dangerously out of balance. He no longer offers a strategy of his own for dealing with the deficit. But that does not deter him from blocking the strategies that others courageously put forward.

— THE WASHINGTON POST.

## Another Ugandan General

Uganda has become a metaphor for everything that has gone wrong in Africa: violence, suffering, poverty, misgovernment. Need it have been this way? From the British, Ugandans took over a country better suited than most others in Africa to make it on its own. Tribal antagonisms, however, have so far raised insuperable hurdles to coexistence, let alone amity. A whole nation's prospects have been ravaged. In the years of independence, hundreds of thousands of Ugandans have been killed — by soldiers, rebels and brigands, by guns and starvation. Continuing unrest ensures that the toll will mount higher still.

Uganda has been cursed by the quality of its leadership. A civilian, Milton Obote, ruled arbitrarily in the 1960s. A general thought by many to be a likely savior, Idi Amin, seized power in 1971 and turned out to be a murderous monster. Mr. Obote returned to power at the end of the 1970s with the help of rebel forces and an invading Tanzanian army. The Tanzanian intervention broke the African

— THE WASHINGTON POST.

## Documented and Recalled

In America, courts are asked to settle questions about almost everything, even history, and now a Los Angeles case has in effect determined that yes, the Holocaust did take place. For anyone to deny it is a transcient obscenity of our time, yet that is just the position of an organization called the Institute for Historical Review. It offered a \$50,000 reward to anyone who could prove that the Nazis gassed Jews, but then had to be sued by an Auschwitz survivor who did so prove.

In settling the suit, the institute has finally agreed to pay, but not to accept. Its director, Tom Marcellus, says, "We did not have to compromise any of our positions." He still cannot see "any kind of evidence" that Jews were gassed at Auschwitz.

Coming to grips with the extermination millions has taken generations. It has not been enough to expose those who ran the death camps as aberrant monsters. They were monsters, surely, and over time society has found it easier to acknowledge that they were human monsters. What made them so may lie latent in all of us. To keep the reverberating pledge, Never Again!, mankind needs to understand. To understand, it must confront, unblinking, the fullness of the Holocaust.

Why are people like Mr. Marcellus and his colleagues so determined to deny history? The world does not lack for bones and ashes, files and witnesses. Even after 40 years, the night does not lack for silent screams.

— THE NEW YORK TIMES.

## Other Opinion

### A Warning to Heed From Lima

[President Alan García's] inauguration on Sunday was attended by an impressive group of democratically elected Latin American heads of state, and such a handover has not been seen in Peru for a very long time. But circumstances in that country and in Latin America are such that this was necessarily a restrained and sober occasion.

There is certainly a Latin American conser-

vation that the attention to the problems of the region (outside Central America) paid by the Reagan administration has been wholly inadequate. Later this week in Havana, Fidel Castro will expound to an alternative meeting of Latin American political leaders and intellectuals his own more drastic and less Western suggestions on how to deal with the [debt] crisis. The declarations from Lima come from more responsible persons. They deserve attention.

— The Times (London).

### FROM OUR JULY 31 PAGES, 75 AND 50 YEARS AGO

**1910: A Wall Street Cashier Owns Up** NEW YORK — Erwin Wider, cashier of the Russo-Chinese Bank, who admits having stolen securities valued at \$680,000, says he took them because his salary of \$1,200 a year was too small to permit him to live as his friends did and Wall Street "looked easy." Wider, who is now in jail, had sent this letter to the Bank: "I might as well tell you that in a few days 3,200 shares of Pennsylvania Railroad stock will have to be shipped to the National Bank of Berlin. You won't find them, as I took them. You will also find a large number of shares of other stocks missing. I meant to put them back, but the market went against me. It was all your fault, anyhow. You should not put one man in charge of everything from A to Z." The letter led to Wider's indictment.

**1935: An Anti-Aircraft 'Mystery Ray'** NAVESINK, New Jersey — Army Signal Corps workers in the closely guarded Navesink Highlands lighthouse are reported to have developed a "mystery ray" capable of detecting enemy airplanes and ships at a distance of more than fifty miles. A score of Coast Artillery officers arriving at the lighthouse, one of the most powerful along the Atlantic seaboard, gave rise to the report [on July 30] that a test would be made that week. It is understood that the Signal Corps has spent \$100,000 on the project. The War Department has declined to comment on the ray and all outsiders are being kept at a distance from the invention, which, in the words of one Army officer, should, if successful, "revolutionize air warfare," and prove deadly to an attacking fleet.

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## How to Make the Best of a Bad Situation

By Tom Wicker

**N**EW YORK — With the most imaginative idea yet offered by the leader of a debt-ridden Latin American nation, Peru's new president has pointed possible way out of the region's dangerous debt crisis. The plan avoids both extremes: default, or years of extreme economic austerity threatening political upheaval.

Alan García Pérez may have given U.S. banks an opportunity they failed to create for themselves to put Latin America's more than \$350 billion in foreign debt on a sounder long-term basis — a less profitable arrangement, but one

**García's debt plan would give Peru the ability to pay from its own resources, although over a longer period of time.**

more likely to bring repayment without bankrupting the debtors or killing frail democracies.

Mr. García said on Sunday that Peru would continue to repay its \$14-billion external debt but would limit payment in the next year to 10 percent of its export earnings. Moreover, he said, Peru would make its repayment arrangements directly with its creditors and without the participation of the International Monetary Fund.

The IMF pattern in dealing with Latin debtors like Mexico, Brazil and Argentina has been to demand strict austerity measures in return for making or guaranteeing new loans to help these countries finance principal and interest payments. In one Latin country — the Dominican

Republic — austerity measures already have produced rioting and threats to the government.

Latin American specialists fear that sustained economic austerity in Brazil, Argentina and Mexico could threaten political stability in those important nations and undermine U.S. relations throughout the hemisphere. Alternatively, one or all of them might be led to default, with disastrous effect on the U.S. banking system.

Moreover, the debt restructurings for which austerity programs have been the price result in banks lending debtor nations more money at high interest to make principal and — mostly — interest payments on what they already owe. The consequence is that these loans remain "current" on the banks' books, and so their profits are not affected. But the debtor countries, while saved from default, end up owing more than they did before the restructuring.

Meanwhile, austerity measures — high internal interest rates, reduced government spending, increased taxes and wage restraints — and huge outflows of capital to foreign banks hold back economic expansion in the debtor nations, and hence their ability to repay what they owe without further costly restructuring. On this course, plainly, the prospect is for permanent debtor status and economic stagnation in major Latin nations, or for political upheaval in protest, or for default — or perhaps all three.

Mr. García's plan to limit external debt payments to 10 percent of external earnings would give Peru the ability to pay from its own resources, although over a longer period of time.

By curtailing the shipment of capital abroad, by making it unnecessary to borrow more to repay what is already owed and by avoiding the most economically limiting austerity measures, Peru might be able to expand its economy and exports, thus enhancing its ability to pay its debts.

Peru's foreign debt is a relatively small part of the Latin total, but if Mr. García prevails on U.S. and other banks to accept his plan — and by refusing they would as likely force him to default because of domestic pressures as force him to a conventional IMF restructuring — these larger debtor nations will almost surely follow his lead. His tough approach may thus produce a more enlightened response than has yet been seen from U.S. banks and the Reagan administration.

With appropriate government guarantees for loan principals and regulatory relief for the short-term losses they would suffer, the banks could reduce the interest rates they charge the debtor nations and stretch out short- and medium-term loans to 25 or 30 years. A reduction from 13- to 6-percent interest on \$350 billion would save these nations more than \$20 billion a year to be invested in their economic expansion.

Not only would the loans and probably the debtors' political stability be made more nearly secure, but the United States, as benefactor rather than an economic exploiter, would be rewarded politically throughout the hemisphere, to the ultimate good of banks and the overall economy.

But forcing Peru to repay in full and on schedule, even if it has to borrow more at high interest and handicap its economy to do so, would be to the advantage of no one but those like Fidel Castro who preach default and defiance of the gringos.

The New York Times

## For Punjab, A Return To Normal?

By S. Nihal Singh

**P**ARIS — No one doubts that the agreement between Prime Minister Rajiv Gandhi and Harchand Singh Longowal, the Sikh leader, is a major breakthrough in a three-year-old crisis that took Indira Gandhi's life last October and the lives of thousands of Sikhs in November. The central question is: Will it work?

There is a reasonable chance that it will, despite the twin dangers of Sikh extremists' efforts to sabotage it and the potential Hindu backlash. It remains for Mr. Longowal to sell the agreement to a majority of India's 14 million Sikhs, and for the government to control the backlash.

The ingredients of the agreement are not dramatic. The Le Corbusier-built city of Chandigarh, presently shared by Punjab and Haryana as their joint capital, goes to Punjab. The dispute over the sharing of river waters goes to a commission. There are palliatives in terms of the rehabilitation in civilian life of Sikh soldiers who mutinied after government troops stormed the Sikhs' holiest shrine, in Amritsar in June last year. And the entry into the anti-Sikh riots after Indira Gandhi's murder has been broadened to include other cities, in addition to New Delhi.

The significance of the agreement is that instead of the government working for an opening, a compromise is now in place, which its opponents will have to wreak from the outside. Mr. Gandhi has shown clever political footwork in springing the agreement when he did, his first major domestic triumph since his landslide election victory last December.

Looking back, the very sturdiness of his December election campaign gave him the leeway to impose J. S. Gohil's settlement, which cannot but be unpopular with Punjab's Hindu neighbor Haryana. This sentiment has been exploited by the opposition parties, with state legislators resigning their seats.

Mr. Longowal has to make the agreement stick, guiding it through the mine fields of extremists' disarray and the reservations of fellow Sikh leaders in the moderate camp.

Thus far he has displayed surprising ability in building his leadership on the ruins of a total failure of Akali Dal, the principal Sikh party, to control events last year — a failure that ultimately led to the traumatic raid on the Golden Temple.

He has provided the government with the essential link: a credible Sikh leader to make a deal with. In so doing, he bears the heaviest burden in making the compromise work.

The success of Mr. Longowal's efforts will determine how soon the prosperous state of Punjab can return to normal. A crucial decision the government has to take is whether to extend federal rule to Punjab for another six months or a year after October, or let the electoral process go through. It involves a fine balancing between the risks of giving the extremists an opportunity to stir Sikh passions again and the salutary effects of normal elections.

One consequence of the three-year-old crisis has been a polarization between Sikhs and Hindus, who have traditionally been close. Whatever the reasons for the government raid on the Golden Temple, the Sikh psyche was deeply wounded, and the anti-Sikh riots in November served further to alienate the community from the majority Hindus.

But behind the Sikh dissent lie deeper reasons. The present Punjab was carved out in 1966 after a long agitation by Sikhs demanding their own state; it had not been demarcated at the time the rest of the country was divided into linguistic units. But Sikhs were only 34 percent of the population in the new Punjab, and their desire to rule could be achieved on occasion only in a coalition with other parties. The prosperity of Punjab, the granary of the Green Revolution, has further dipped the Sikh percentage to 31 percent, due to the influx of Hindu laborers.

At the same time, traditional Sikh leaders were becoming increasingly concerned with modern trends and prosperity influencing young Sikhs to do away with the outer symbols of their religion, particularly unshorn hair. They feared that, without these symbols, the Sikhs would be submerged in the sea of Hinduism.

The Green Revolution was tending to taper off in the late 1970s, and that fostered a new nexus between rich farmers demanding more industry and economic benefits for Punjab and the religious leaders concerned over their flock.

The Rajiv-Longowal agreement, if it succeeds, will imply that the Sikhs' future evolution in Punjab will take place in the normal circumstances of a democratic political process.

The writer, a former editor of The Statesman (Calcutta) and the Indian Express, is preparing a book on UNESCO. He contributed this comment to The New York Times.

## LETTERS TO THE EDITOR

### The ANC's Credentials

Regarding Andrew Young's opinion column "You Have to Give the South African Whites a Choice" (July 22):

Mr. Young's reference to the African National Congress as the "legitimate leaders of South Africa's majority" is as grotesque as his assertion that the Carter administration, if it had known what was happening in Iran, would have "forced" the shah to share power with the mullahs.

Given that the ANC leadership is intertwined with that of the South African Communist Party, which is controlled by Moscow, and that the ANC leadership boasts of its adoption of Marxist-Leninist means and goals, Mr. Young's advice is, to use his own words, very simple.

ARNOLD M. SILVER  
Luxembourg

### Montreal Plus and Minus

Regarding "Picasso and Tut Seeks in Montreal" (July 13):

Montreal's Expo '67 was not a world's fair but a "Universal and International Exhibition," as authorized by the Paris-based Bureau International des Expositions.

Moreover, there seems to be confusion between Expo '67 and the 1976 Summer Olympic Games. The latter was a financial fiasco, but Expo '67 did not "nearly bankrupt" Montreal. On the contrary, it was profitable, with 50 million visitors between April and October of that year. The city contributed 12.5 percent of the cost of the infrastructure, the Quebec provincial government 37.5 percent and the Canadian government 50 percent.

JACQUES GAUDREAU  
Paris

## All Carrot and No Stick Add Up to No Movement

By Robert A. Manning

approach: that the interests of Washington and Pretoria are identical, and that a policy of all carrot and no stick can be effective.

There is nothing inherently wrong with offering countries like South Africa a positive incentive to change. Indeed, such a policy may be more effective than the condescending moralism that some liberal administrations have used to try to bring about reform. But clearly such incentives will have little effect unless they are accompanied by a threat of retribution.

The issue is not whether U.S. diplomacy should be loud or quiet, but whether or not America is making appropriate use of the economic and political leverage at its disposal.

Consider three other countries in which Washington has squandered leverage that might have been used to facilitate democratic change:

In Taiwan, top officials of the government have been convicted of complicity in the brutal murder of the Chinese-American writer Henry Lin, an American citizen assassinated at his home in a San Francisco suburb. The regime of President Chiang Ching-kuo has refused American requests to extradite the officials involved for trial in American courts and to curtail its spying operations in the United States. Yet the Reagan administration continues to sell some

\$750 million worth of arms to Taiwan every year.

In Chile, for which the Reagan administration has approved a \$1-billion loan package, General Augusto Pinochet's regime persists in its refusal to move to restore democracy.

or Punjab  
A Return  
to Normal

By S. Nihal Singh  
*Los Angeles Times Service*

AMMAN, Jordan — Although most of the attention surrounding the search for peace in the Middle East has focused lately on the choice of Palestinian negotiators to meet with a U.S. envoy, officials here say that they are now more concerned about what the two sides will talk about once the discussions begin.

"Everybody is worried about what's next," a Jordanian journalist said.

Despite the hesitation that has emerged recently in Washington, it is taken as an article of faith that the United States will send Richard W. Murphy, assistant secretary of state for Near Eastern and South Asian affairs, to Amman in the coming weeks to meet with a Jordanian delegation that will also include Palestinians.

Although the planned talks are highly symbolic of U.S. Jordanian and Palestinian determination to keep up the momentum in the peace process, officials acknowledge that there is no clear agenda.

The Jordanians, whose monarch, King Hussein, initiated the latest round of talks, are hopeful that the discussions will lead quickly to U.S. recognition of the Palestine Liberation Organization. The PLO could enter the talks.

Jordanian officials said that they expected the

PLO leadership under Yasser Arafat to agree reluctantly to recognize Israel's right to exist, by endorsing UN Security Council Resolutions 242 and 338, as a means of winning recognition from Washington.

But PLO officials are far less optimistic on the question than the Jordanians, saying that they are reluctant to make a major concession to Israel at the start of the talks without a major concession in return from the United States.

"We are under a lot of pressure internally not to give any more without something to show for it," a Palestinian close to Mr. Arafat said.

The PLO has been seeking a statement from Washington that could be interpreted as an expression of support for the PLO's primary goal, Palestinian self-determination. That term is generally interpreted as signifying a Palestinian state, which is something that the Americans have always refused to consider.

Rather than mutual recognition between the PLO and the United States, according to officials here, the PLO is hopeful of getting agreement for the convening of an international conference to try to settle the Middle East conflict.

Because such a conference would include all parties with stakes in the Middle East — Syria as well as Jordan, and the Soviet Union as well as the United States — both Israel and the Reagan administration have been cool to the

United States, Prime Minister Shimon Peres of Israel at first termed it unacceptable but then

The United States, meanwhile, wants to use the preliminary talks as a means of engaging the Jordanians in direct negotiations with the Israelis.

According to a Western diplomat in Amman, that entails persuading the Jordanians to meet the Israelis without the participation of the PLO, something that the Jordanians have regarded with something akin to horror.

"Without the PLO there will never be any talks," a Jordanian said. "The United States might as well start negotiating without Jordan altogether."

The three different agendas that are evolving have left some officials pessimistic about the future of the discussions, which the Americans refuse to even label negotiations.

"The Americans are not going to give on the question of self-determination, the PLO is not dealing on 242 and the Jordanians will not drop the PLO, so what is Murphy going to talk about?" said a West European diplomat.

The Americans are now wrestling with the question of which Palestinians to meet with, following receipt of a list of possible candidates submitted by the Jordanians and reportedly endorsed by Mr. Arafat.

After being shown a list of seven names by the United States, Prime Minister Shimon Peres of Israel at first termed it unacceptable but then

said that Israel had no objections to two of the candidates — Hanna Seniora, a Jerusalem newspaper editor, and Faiz Abu Rahme, a Gaza lawyer.

Diplomatic analysts and Jordanian officials were surprised at the relatively mild opposition by the Israelis.

The Jordanians and PLO officials said that they were heartened by a statement from Washington saying that Israel would not be allowed to exercise a veto over Arabs with whom the United States might meet.

**■ Sharon Stand on PLO**

*Dan Fisher of The Los Angeles Times reported from Jerusalem:*

Ariel Sharon, a senior minister in Israel's national unity government and architect of its war in Lebanon, has called for Israeli strikes

against PLO command posts in Jordan, according to separate reports by Israeli radio and television.

The former defense minister's remarks were said to have come in a meeting of the rightist Likud bloc caucus in the Knesset and followed a cabinet meeting in which the government voted to strengthen its internal security forces to combat terrorism.

Mr. Sharon said that the PLO should not enjoy immunity from Israeli attack just because it had moved its headquarters from Lebanon to Jordan, according to the reports.

Israel must tell the United States that there will be no negotiations with Jordan as long as Hussein allows the PLO to maintain bases on his territory, Mr. Sharon reportedly added.

According to Israeli defense sources, several hundred PLO political and administrative func-

tionaries moved their headquarters from Beirut to Jordan after the Israeli Army forced the PLO out of Lebanon during its 1982 invasion.

Although the PLO is not believed to have independent military bases in Jordan, the Israeli sources say that up to 2,000 fighters are in the country as part of the Palestine Liberation Army, a force under the tight control of the regular Jordanian Army.

Defense Minister Yitzhak Rabin said during a radio interview last week that the rapprochement between Hussein and Mr. Arafat had contributed to increased terrorist activity in Israel and the Israeli-occupied West Bank and Gaza Strip.

"We know for a fact that operational orders are sent from there," Mr. Rabin said, adding that he was certain that this was being done without Hussein's knowledge.

## Rival Agendas for Expected Mideast Peace Talks Are Causing Concern in Amman

By Charles P. Wallace  
*Los Angeles Times Service*

AMMAN, Jordan — Although most of the attention surrounding the search for peace in the Middle East has focused lately on the choice of Palestinian negotiators to meet with a U.S. envoy, officials here say that they are now more concerned about what the two sides will talk about once the discussions begin.

"Everybody is worried about what's next," a Jordanian journalist said.

Despite the hesitation that has emerged recently in Washington, it is taken as an article of faith that the United States will send Richard W. Murphy, assistant secretary of state for Near Eastern and South Asian affairs, to Amman in the coming weeks to meet with a Jordanian delegation that will also include Palestinians.

Although the planned talks are highly symbolic of U.S. Jordanian and Palestinian determination to keep up the momentum in the peace process, officials acknowledge that there is no clear agenda.

The Jordanians, whose monarch, King Hussein, initiated the latest round of talks, are hopeful that the discussions will lead quickly to U.S. recognition of the Palestine Liberation Organization. The PLO could enter the talks.

Jordanian officials said that they expected the

## In Soviet, Long Pause for a Ruler's Illness

(Continued from Page 1)



The Associated Press  
Konstantin U. Chernenko, although gravely ill, cast his ballot in February in a scene for national television

Soviet public coolness toward Chernenko changed to sorrow, when, toward the end of his life, he was taken from his sickbed, gasping for air, to cast his ballot in front of TV cameras. He was obviously in pain but struggling to do what was expected of him.

The Americans were breaking the rules of the nuclear game.

These moves had come in the context of a series of Soviet setbacks and misfortunes, among which the Polish labor turmoil stands out. Apart from painful economic and political costs, the Polish crisis produced a sense of confidence in the Soviet empire.

Andropov, who had wanted to concentrate on domestic issues, initially tried to limit the damage. He sought to induce the Americans to negotiate about restraints on the arms race in space while at the same time making efforts to split Western Europe from Washington on the issue of arms control.

But yet Chernenko was clearly not the heir and successor of the Andropov inheritance. The pace of political life set by the new leader seemed to recall the Brezhnev years and served as a brake on the modernization drive initiated by his predecessor. Andropov's appeals demanding exertion and sacrifice were subtly replaced by Chernenko's appeals promising benefits.

Whether Chernenko wanted to apply the brakes is a debatable point.

"Chernenko," a Soviet official said, "could not slam on the brakes. But he simply took his foot off the accelerator and everything slowed down."

The country, an analyst said, was "on automatic pilot."

What Chernenko did during his tenure was to calm down sectors of the country shaken by Andropov's demands and to reassure the bureaucracy after a turbulent 15 months. He reversed one of Andropov's last decisions, calling for a severe cut in the size of the bureaucracy. The plan had been to eliminate a number of jobs dreamed up by officials to take care of their protégés and friends who, in turn, had come to regard their jobs as sacred.

Chernenko's other major move was to change Moscow's policy toward Washington on arms control. Two months before Chernenko's accession, the United States had started deploying Pershing-2 and cruise missiles in Western Europe. After a political and propaganda battle that lasted more than three years, the Russians had suffered a crushing defeat, having failed to persuade the West Europeans not to accept the new weapons.

When the first Pershings arrived in West Germany in December 1983, Andropov ordered his negotiators to leave the Geneva talks. Soviet propaganda became more bitter than ever.

The walkout was preceded earlier in 1983 by President Ronald Reagan's polemical offensive against the Soviet Union that seemed to reach a new intensity with his speech on the "evil empire." Moreover, the president had advanced his program for an anti-missile defense shield for the United States. As seen from Moscow,

Gromyko and other key policymakers during that period seemed more tough in tone and more yielding in substance than did Chernenko's pronouncements.

But apart from making a personal imprint on foreign policy, Chernenko had done little beyond acting as a caretaker for a new generation of leaders. Many of his public activities seemed confined to ceremonial duties, awards of decorations, pep talks that he found increasingly difficult.

In late January rumors began to circulate that Chernenko was dying. There were rumors that Mr. Gorbachev or another Politburo member, Grigori V. Romanov, was the designated successor.

The prospect of another Red Square funeral — the third in less than three years — and another old leader in the Kremlin — the fourth in three years — seemed to confront a weary nation.

The power transition had been painfully long and demoralizing. It had started in earnest when Brezhnev was hospitalized in March 1982, never to recover fully his former physical and mental vigor. It continued, with the exception of Andropov's first four months in office, without interruption.

At this point a curious and, to many Soviet citizens, disturbing thing happened. With Chernenko hospitalized and fighting for his life, his staff took over, acting in his name. A stream of pronouncements attributed to the leader began to flow from his office.

That Chernenko never saw these pronouncements was made clear in written answers he was supposed to have given to questions advanced by a U.S. television network. Chernenko's answers did not bear his signature at the end, a mandatory procedure in Soviet practice.

"The boys around him, you know, some of them bright, they played games with his speeches and articles and this should not be done for a leader," a senior Soviet official said privately, speaking about this period.

The policy drift was almost palpable. So was the despondency of the elite. It was clear that the end was near but no one knew for sure whether another old man would replace Chernenko.

Ironically, Chernenko's public image changed sharply during the last months of his life. Russians began to look at him in a different way, seeing an old and sick man bravely soldiering on at his post with his patriotic pride in the dignity of his country.

He was taken from his sickbed to cast his ballot in an election. Television cameras showed him walking with difficulty, his movements slow and obviously painful, his eyes focused, yet struggling to do what was expected of him.

He was again shown on television shortly before his death in March, receiving a delegation and performing his ceremonial duties while in pain. The people began to feel sad; they felt sorry for him.

In contrast to the rejection of him in life, Chernenko was accepted by the country in death.

NEXT: Gorbatchev's style of rule.

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## INSIGHTS

# In Wales, the 1960s Dreams of 'New Prosperity' Fade to Despair

By R.W. Apple Jr.  
New York Times Service

**P**ORT TALBOT, Wales — Not too many years ago, Japanese businessmen were a regular sight on the streets of this long seaside town in South Wales.

They had come to see, and to learn from, a local marvel — the biggest and most modern steel plant in all Europe. In the late 1960s, it employed nearly 20,000 people, and it paid such good wages that workers hereabouts called it Treasure Island. It was difficult to get into, that is, pure gold once you landed a job.

"Now that's all changed," said Doug Rees, the editor of the weekly Port Talbot Guardian. "The steelworks is down to 5,000 employees. The new deep-water harbor has helped some, but there is an awful uncertainty. I'm afraid that Port Talbot doesn't stand for much of anything more except hanging on by the skin of your teeth."

But in a way Port Talbot, population 50,000, hometown of Richard Burton and Sir Geoffrey Howe, the British foreign secretary, also stands for The Other Britain. When Lord Stockton, a former prime minister when he was prime Harold Macmillan, spoke last year of the division of the country into "two nations" — a phrase borrowed from Benjamin Disraeli — it was places like Port Talbot that he had in mind, places that are culturally and economically far removed from the new prosperity, from the ritzy shops and restaurants and the technologically sophisticated factories of the London area.

Like Paris and New York, London has always been a place apart from the rest of its country. Government, commerce, the arts have always been centered on the capital, and Londoners have always been a bit bemused by such regional quirks as the northerner's flat cloth cap and



The New York Times  
Port Talbot's time as a world showcase of modern industry was brief.

whippet racing, the Glaswegian's impenetrable accent, the Welsh passion for choral singing.

But there was a day when the provinces provided most of the country's industrial muscle and generated much of its wealth, especially places like Newcastle-upon-Tyne and the Clyde River Valley and the mill towns of Yorkshire and Lancashire and the Midlands.

When Disraeli spoke of "two nations" he was referring to two kinds of people — the very rich

and the very poor. Leeds and Liverpool and Cardiff, as well as London, had their fair share of both in his day. Now the pattern has drastically shifted, and southeastern England, with London as its hub, has become far richer than most of the rest of the country.

There are, of course, exceptions, such as the region between Edinburgh and Glasgow, which is enjoying a boom fueled by high-technology industries.

The shift has come about for many reasons. One is the change in the pattern in British foreign trade from the Commonwealth countries and the United States to Britain's nine European Community partners. Another is the rapid decline of the old "smokestack" industries, which find it hard to compete for foreign markets, and their partial replacement by innovative new factories. These tend to seek out sites in such areas as the Thames Valley west of London, which are close to population centers and well situated for road, rail and sea transport.

Still another reason is the decline of the Labor Party, the traditional voice of the north and of the worker in heavy industry, which might have poured public money into rebuilding the older industrial centers. Parallel to this decline has been the rise to power of the Conservative Party and Prime Minister Margaret Thatcher, who has tried to restrain government spending.

Many northerners bitterly resent government policies, but Mrs. Thatcher and her ministers have consistently argued that a period of painful adjustment is needed if Britain is to prosper in the decades to come. And it is probably true that some hardship was inevitable regardless of the party in power.

Two-thirds of them live in public housing, only 6 percent have a car less than two years old, only 56 percent have a telephone and many live well below the poverty line. According to the survey, 34 percent of their households have a weekly income of less than \$61, and 50 percent more than less than \$122.

The mood appears to be cynical or at least fatalistic. Mr. Rees said a third of his sample

said that unemployment was beyond the control of any government, and less than half said they had jobs they considered secure. Only 4 percent of the jobless said they thought Mrs. Thatcher was ready to help. Mr. Matthews conceded, "We have all had to accept that we will never again have full employment in this region."

There are still those who insist that the town has a future, despite the cutbacks by the British Steel Corp. and B.P. Chemicals, despite the closing of a computer plant, an exotic flower that never took root, and the pending closure of a transmission plant. Speaking hopefully of the possibility of a new coal mine nearby and of the possibility of promoting Port Talbot as a tourist center with a kind of Welsh Disneyland, Abram P. Matthews of the local Chamber of Commerce said, "We think that the best times are yet to come."

But this is a minority view. A more typical comment is that of a man in his 50s who has been unemployed for five years. Too humiliated to give his name — or indeed, on most days, to leave his house — he told a visitor, "I used to belong to the working class, but now I have sunk much lower than that."

Last fall, Ralph Fevre of Swansea University and Phillip Brown, then of Swansea and now at Cambridge, conducted a study of the unemployed in Port Talbot. Nearly one person in five was out of work, they found, and most of the unemployed were less than 34 years old.

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of any government, and less than half said they had jobs they considered secure. Only 4 percent of the jobless said they thought Mrs. Thatcher was ready to help. Mr. Matthews conceded, "We have all had to accept that we will never again have full employment in this region."

This is a Labor town, always has been, a local politician said. "But there are fewer activists in the party than ever before, and yet in my pub they spend every night moaning about what Mrs. Thatcher has done to us. We have totally abandoned our political involvement."

Mr. Rees, the newspaper editor, said that his son had lost his job two years ago and that he and his best friend, Jimmy — "Not a genius, but a clever lad, prepared to work all the hours that God made" — doubted that they would ever get a regular job again.

For them, Mr. Rees said, "bobbing has become a way of life — legality goes by the board, and they cheat on taxes and this and that because they almost have to."

"They're not bloody starving, the kids have shoes," he said, "but I tell you, it's a constant battle of wits."

LIKE the poor in the American South during Reconstruction, the Welsh feel ill-treated by the central government. And like the people, the Welsh have a deep-seated sense of place that has only been intensified by their troubles. Few have moved to those parts of Britain where at least some jobs are available.

"There's a terrible feeling of hopelessness here," said Marian Jones, a social worker. "It's even worse in the villages in the valleys around Port Talbot, where the rate of unemployment is 35 or 40 percent. The kids in schools don't talk any more about what they're going to do when they grow up. And it's going to get worse, can't help it but get worse."

Mark Sheridan, who works for an organization formed by the town's voluntary agencies to

work with the unemployed, says the impact of the big cutback in 1980 at British Steel, when 5,000 people lost their jobs, is only beginning to be felt here. For the last three or four years, the effect was cushioned by the lucrative severance pay given to those laid off.

According to the 1980-81 census, about 8 percent of Port Talbot families had only one parent; now, at the Sandfields Comprehensive School, where a third of the students have unemployed fathers, 19 percent of the children come from one-parent households.

According to Mr. Sheridan, there has been a corresponding increase in the incidence of alcoholism, mental disturbance and suicide. Jean Keogh, a counselor for the mentally ill, was swamped with telephone calls after a recent five-minute radio broadcast in which she spoke of help available for those suffering from depression.

For Mr. Sheridan and his co-workers, it seems inevitable that a large-scale emigration of the more able unemployed will begin soon, despite the ties of family and culture that bind the Welsh to their home territory.

"The community is going to get older and sicker," he said. "We're all afraid that some day we will be left as a dormitory community for clients of the state social security system."

That would be a strange fate indeed for Port Talbot, the heir to a hundred-year-old tradition of metalworking in this part of Wales. At least some jobs are available.

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Mark Sheridan, who works for an organization formed by the town's voluntary agencies to

# On a Harvard Bridge, a Honeysuckle Memory of Faulkner's South

By Dale Russakoff

Washington Post Service

**W**ASHINGTON — Seventy-five years ago this summer, Quentin Compson III jumped to his death from a bridge near Harvard College. He was only 19, a Southern gentleman struggling to salvage a measure of family honor as the Old South crumbled. Helplessly out of place at Harvard, he turned to reliving in his mind all the glory, guilt and doom of the southern past.

On June 2, 1910, he surrendered, caught between memories as sweet as honeysuckle and as dark as slavery. Flatironed to his feet, he plunged into the Charles River and was swallowed by the New England night.

Quentin was only a fictional character, a creation of William Faulkner in two epic novels, "The Sound and the Fury" and "Absalom, Absalom!" But his anguish is so personal and haunting that generations of readers have come to regard him as someone real.

I came upon him more than 10 years ago, another Southerner-come-to-Harvard who felt very much an outsider. I was taunted for my drawl and my unlimbered walk (Walk fast! No wonder you people lost the war), and felt called upon always to explain that the South was hardly a monolith of ignorant bigots.

In Quentin Compson, I found a compatriot for my southern loneliness. Like Quentin, I found that the "iron, New England dark" made me yearn for the gentleness of the South — the friendly folk, the slower pace, the emphasis on people. Once ashamed of the South, I came to accept that in my own way, I was as southern as Quentin.

I met other southerners who had found their ways to Quentin, and we formed a cult of sorts, talking incessantly about Faulkner. We came to look on Quentin as larger than southern: He was the universal outsider, he was youth clutching lost ideals in a changing world; he was anyone who felt the ground slipping beneath his feet. He was one of us.

In 1972, an English instructor named Kevin Starr told my American literature class of a tiny Quentin Compson memorial plaque, discovered years earlier on Harvard's Anderson Bridge at the spot from which Faulkner aficionados believe Quentin jumped. No one knew its origins; it was simply a tribute from an anonymous admirer of Faulkner.

Joined by Walter Isaacson, a friend from New Orleans and a member of the unofficial Quentin cult, I walked immediately after class to the crest of the Anderson Bridge, the Charles River lapping lazily below. I brushed aside a vine to reveal a tarnished brass plaque the size of a calling card:

**Quentin Compson III. June 2, 1910. Drowned in the fading of honeysuckle.**

We lost track of time as we continued reading, feeling that we had crossed a border between fiction and reality — as if we, too, had become characters of Faulkner. Feeling compelled to share the moment with Starr, we went to his apartment. He was out, so we slipped this note under his door:

**Dear Professor Starr,**  
We spent the evening on Anderson Bridge, reverently observing the 62nd anniversary of Quentin Compson's final resignation to chaos. It was a truly religious experience. We missed you.

Signed,  
**D. and W., 2 Southerners fighting off the sweet odor of honeysuckle.**

I learned everything I could about the plaque. It was discovered in the mid-1960s, and students and professors had passed along word of its existence ever since. In a sort of rite of passage, one generation would direct the next to the precise spot on the bridge where it was affixed.

"I remember when we found it that I felt for once part of a certain tradition," my friend Walter recalled. "It was a secret bond among generations of people like us who felt slightly displaced. I realized: Yes, yes, somebody else knows exactly how it feels."

This is the story of what Quentin meant to us. It is a tale of youth, southerners, Harvard, honeysuckle, an extraordinary plaque, and how, through almost mystical coincidence, I learned who placed it there, and why.

Why the fascination with a fictional freshman? Surely part of it was youth. Literature was even more wonderful then, when the imagination roamed uninhibited by such grown-up concerns as responsibility and the passing of time. It also was the pathos of Quentin himself, and the prodigious imagination of our fellow southerner, Faulkner.

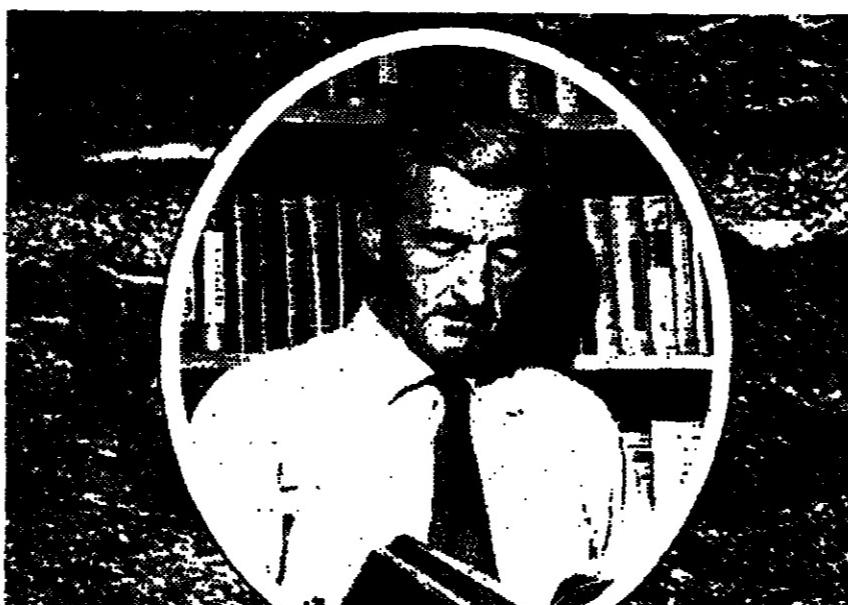
Quentin was the last, best hope of the Compson clan, a Mississippi family that flourished in the Old South and collapsed tragically along with it. They lost baronial land holdings; their youngest son was born an idiot; a daughter, Caddy, whom Quentin worshiped as an ideal of southern womanhood, became a tramp.

Desperate to restore the family name, Quentin's ailing mother took the proceeds from selling 40 acres of Compson land and sent her son to Harvard. ("Harvard is such a fine sound forty acres is no high price for a fine sound.")

I was focusing on honeysuckle in "Sound and the Fury," and blood in "Go Down, Moses" and "Absalom, Absalom!" and I was struggling intensely because the images so inspired me. Joseph Blatt, recalled recently, "What makes great literature is not plot or character or narrative, but images, which operate at a much more profound level. That's what was at work here, and that's what I was trying to get at."

"Finally, I decided to go for a walk, and I went all over Cambridge mulling this paper. It was the middle of the night, and as I crossed the Anderson Bridge, I saw moonlight reflecting from a point on the bridge in a way I'd never seen before. I went up to investigate, and there it was: Drowned in the fading of honeysuckle."

"I was grappling with those seemingly pro-



The original plaque on Harvard's Anderson Bridge. Inset, William Faulkner.

found personal questions that so often come up when one works on something that matters a lot. Such as: Who am I to try to say anything about this wonderful thing? I guess you could call it classic undergraduate insecurity, but it's something that happens even now when I'm working

tale of the plaque and my feelings for it. The story delighted my mother, who loves to talk about her children, and in her rounds of Birmingham over the next few weeks, she retold my Faulkner escapade dozens of times. One day, she told it to her friend Stanley Stefancic, then

she told it to her mother, Irene, who was then living in Birmingham.

Irene, I put that plaque there.

Stefancic explained that he never wanted to be discovered. But because of this uncanny coincidence, and because I was a southerner who loved Faulkner, he agreed at my mother's urging to tell me the plaque's history. I soon received from him a brief account of how he, his wife, Irene, and a friend, Tom Sugimoto, came to love Faulkner while at Harvard in the mid-1960s.

Like me, they devoured the novels and short

stories, fixating on Quentin, Sugimoto, a Japanese-American graduate student in physics, and the Stefancics, midwesterners schooled in the Deep South, identified with Quentin's sense of disorientation at Harvard. They also were captivated and saddened by his tragic death.

Stefancic shared only the most basic details. The plaque was affixed with epoxy glue on June 2, 1965, a humid, foggy, rainy Cambridge evening, the 55th anniversary of Quentin's suicide, in a private ceremony at which only the Stefancics and Sugimoto were present. The words on the plaque, he wrote, "were not the words of Faulkner but were rather an allusion to the circumstances (the fading of honeysuckle) which caused Quentin to take his life."

The Stefancics and Sugimoto "once had hoped that only those who loved 'The Sound and the Fury' might discover it and appreciate its significance," Stefancic wrote, expressing disappointment that the private tribute had become so public.

As it turned out, Harvard Magazine's inquiry produced one tip pointing to Sugimoto, who then was working in Germany. The editors sent him a cable, asking for confirmation, but he did not respond. Several times over the last 13 years, the magazine called back Sugimoto, now an engineer with Hughes Aircraft in California, to ask again, but each time he demurred. "Mystery is more appealing than facts," he was quoted as saying.

Almost every year since then, my thoughts have drifted on June 2 to Quentin, Faulkner, who then was working in Germany. The editors sent him a cable, asking for confirmation, but he did not respond. Several times over the last 13 years, the magazine called back Sugimoto, now an engineer with Hughes Aircraft in California, to ask again, but each time he demurred. "Mystery is more appealing than facts," he was quoted as saying.

As it turned out, Sugimoto landed on this spot and called it Vinland. Some years later, a worker found it and it sounded official, and so it was cemented into place and made into a public monument.

"I thought that if I did that for Quentin, maybe one day someone would find it and mount it permanently."

Quentin was like everybody: They want permanence, Sugimoto said. "They want constancy. And there's a part of them that likes to hurt. Quentin did that very well. He was afraid that time erased all memory and pain and the intensity of any feeling. And he was afraid of losing that intense love and need of Caddy. And therefore he killed himself so that he would stop time. That appeals to me. I liked the idea. It was almost a heroic attempt — to stem the tide of time. It's idealistic. You want to keep something beautiful, something that you cherish. And yet you know in your heart of hearts that it will not last. Even though it won't last, you'll survive it or you'll endure."

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As it turned out, Sugimoto landed on this spot and called it Vinland. Some years later, a worker found it and it sounded official, and so it was cemented into place and made into a public monument.

I called Stefancic, now a minister in San Francisco, with whom I had not communicated in 13 years, to find him still plumb the Compson saga for truths. He said he gives his first sermon of every new year on the meaning of time, and this year opened it with the passage from "The Sound and the Fury" that I had read at the Anderson Bridge 13 years ago — the one describing Quentin's grandfather's watch as "the mausoleum of all hope and desire."

"I said in my sermon, Stefancic said, "that chronological time, or the Greek concept of time, signifies nothing, while kairos, or time and depth, is rich in content and significance. That passage illustrates one attitude toward time: the ticking of the watch. Quentin's father said that time dead as long as it is being clicked off by little wheels. Only when the clock stops does time come to life."

My next call was to Starr, who also remains captivated. Now a professor of history at Boston's public television station, WGBH, to feature the missing plaque on the night news of June 2, 1983, the 73rd anniversary of Quentin's suicide. Within 24 hours, he said,

## ARTS / LEISURE



Rostal on musical prodigy: "I never resisted."

**Max Rostal: A Full Life As a Master Violinist**

By Andrew Clark

BERN — Max Rostal first played the violin at the age of 5. At 10, a musical prodigy, he was entertaining the Austrian aristocracy. When he was 15, his mother took him to Berlin to study under the famous violinist Carl Flesch, and before the age of 20, Rostal was concertmaster of a professional symphony orchestra and touring the world as a soloist.

"I never resisted the forces that made me a musical prodigy," he said. "In those days you shut your mouth and did what was asked of you. I know I had a privileged position, but I was not entirely enthusiastic about it because my colleagues were quite jealous and often used to beat me up."

Today Max Rostal, who will be 80 Aug. 7, takes pride in a different reputation: that of Europe's best-known violin teacher. Over the past 50 years thousands of aspiring string players have passed through his classes: Leon薛per, concertmaster of the Berlin Philharmonic; Ulf Hoelscher and Uto Ughi, both well-known concert violinists; Thomas Fritsch, leader of the Camerata Bern; all studied intensively with Rostal. Perhaps his best-known pupils are the three American members of the Amadeus Quartet, whose release he scored from British internment in London at the start of World War II and who went to develop under his tutelage into world-class string players.

After three years as assistant to Flesch, whom he describes as "the father of modern violin playing," Rostal became a professor of violin at Berlin in the early 1930s, moving after the Nazis came to power to London's Guildhall School of Music and Drama. Rostal now has British and Swiss nationality, having settled in the Swiss capital in 1958 mainly for health reasons. Last month he gave his final master-class at the Bern Conservatory, and gave up all formal teaching commitments to devote himself to writing an autobiography and completing an advanced guide for students and teachers, "The Art of Violin Playing."

A short, dapper man who takes a swim at his holiday home overlooking Lake Thun most days in summer, Rostal does not look his 80 years. His white beard gives him the air of a guru, and in measured, slightly accented English, he speaks with a casual suggestion of expertise and relish for life.

He regards his teaching methods as an evolution of the approach adopted by Carl Flesch. The only fundamental difference is in their personal style. Rostal describes Flesch as a dictator, not a father

figure with whom students could discuss easily. "Some couldn't stand him for that."

Rostal explains his approach to individual teaching as a two-stage development: "At first the student does exactly what I ask in terms of technique and musical ideas. When he has reached a kind of maturity, the reins are slightly loosened and one helps him to develop individual personality while still keeping his overall development under check, dividing the good from the bad in whatever new things he tries."

Rostal adjudicates at international violin competitions, and noted the increasing influx of Asians into Western musical circles and the abiding traces of national schools in the international world of music. "The Japanese are so wonderful at copying, and the technical standard is astounding," he said, "but sometimes their playing is lacking in personality. There are exceptions, of course, but on the whole the Koreans have more personality. Then in the United States, you find a tremendous affinity with the Russian school — indeed you can speak of a Russian school in America, because most of the great American violinists are of Russian origin." Jascha Heifetz, Isaac Stern and Nathan Milstein, all of whom have had a major influence on new generations of American violinists, were all born in Russia.

"That style is characterized by the highest degree of technical perfection," Rostal said, "but in some cases it is lacking in what I would call European culture — the understanding of the great German and Austrian composers, Bach, Beethoven, Brahms, Schubert and Mozart."

The understanding of these composers is not so near to their heart as to be a natural inheritance. Non-Europeans can sometimes get it — but it is not quite natural to them.

So styles of playing have been internationalized only up to a point.

And of course each interpreter must be capable of feeling the music of different countries. In that respect we are actors, trying to play Spanish music in a Spanish way, Bartok in a Hungarian way."

He is optimistic for the state of the art. "We don't know exactly how Paganini and Sarasate played," he said, referring to two great 19th-century masters, "but I doubt if the overall standard in violin playing was as high as today. For me it has been an absorbing activity, combining the best of work and hobby. If you asked me what I'd do if I had my life over again, I'd say exactly the same."

Andrew Clark is a journalist and music critic based in Switzerland.

**DOONESBURY****Life Is a Cabaret, Old Chum, on London Stage This Summer**

By Sheridan Morley

International Herald Tribune

LONDON — Life, as Sally Bowles used to observe to Christopher Isherwood with monotonous regularity, is a cabaret, old chum, and London this summer is full of it. Alternative Royal Shakespeare Company and foreign-theater festivals may be attracting more critical attention elsewhere this week, but there can be little doubt that there's more high-class cabaret around the

**BRITISH THEATER**

West End this August than at any time since they closed the Café de Paris and the nightingales stopped singing in Berkeley Square.

Consider The Warehouse in Covent Garden: over the past few weeks there, a guest management run by David Kernan and Peter Wilson have brought us a loving tribute to Ethel Merman by Libby Morris and an eccentric tribute to June Havoc by June Havoc. In the early part of the Warehouse evening at present can be found the jewel in their crown, "Jerome Kern Goes to Hollywood," for which Kernan, alongside Liz Robertson, Elaine DeMers and Elisabeth Welch belt through a two-hour singalong of 40 Kern standards from the "The Song Is You" and "I Won't Dance" all the way across the years to "Look for the Silver Lining" and "Make Way for Tomorrow."

Dick Vosburgh, still the best writer of songbook narratives in the business, has cobbled together a minimal linking script in the course of which Kernan does the

wisest impression of Paul Robeson I have ever seen. But even in this summer of vintage and classic musicals all over town, there is no musical moment more hauntingly evocative than the one when Welch comes out of the Warehouse darkness to find her spotlight for "Smoke Gets in Your Eyes." Now in her middle 70s, and a survivor of the "Broadway Blackbirds of 1928," Welch is the last of the great cabaret stars from the 1930s still to be making a living at it, and her appearance at The Warehouse should be a cause for celebration and fines and standing ovations for anyone who cares even remotely about the prewar greatness of the American musical theater.

Later every night on that same Warehouse stage, Marian Montgomery and Jane Carr and Gaye Brown are to be found in "Friends of Dorothy," an ambitious attempt to unite and celebrate the very different talents of Dorothy Parker and Dorothy Fields, presumably on the theory that both shared the same Christian name and lived through roughly the same Algonquin years. It might in fact have made more sense to link Fields with Kern, since they at least wrote five film scores together: the problem with Parker and Fields is essentially how very little they had in common. Parker was an acid sariari, still famous for her short stories, cracks like "Men never make passes at girls who wear glasses," and a review of Katharine Hepburn performance "running the gamut of emotion from A to B." Fields was an agile Broad-

way lyricist who wrote the book for "Annie Get Your Gun" (an achievement oddly ignored here) as well as a dozen classic nightclub numbers with Jimmy McHugh from "I Can't Give You Anything but Love" all the way to "On the Sunny Side of the Street."

But as those titles might suggest, Fields was an altogether more upbeat and up-tempo lady than Parker, and her songs therefore sometimes lie oddly alongside the more cynical Parker sketches that have in any case dated horrendously in the half-century since they first reached The New Yorker. Only at the very end of her long singing career, with the Cy Coleman collaborations on "Sweet Charity" and "Sesame," did Fields's songs begin to suggest that life might be rather less than wonderful, and by that time Parker was already long dead.

Rising above that central problem, Jane Carr and Gaye Brown form themselves into a double act strongly reminiscent of a female Land and Hardy, while the more elegantly languid Marian Montgomery takes care of the torch singing. Ian Judge's agile production gives us at least one total unknown number from "Sweet Charity" (cut on the pre-Broadway tour, presumably, and, wrongly) but "Friends of Dorothy" could still do with some of the editorial expertise that Vosburgh has clearly brought to the Kern.

Over at the Ritz Hotel meanwhile, Steve Ross is back for his second successive sum-

mer at the restaurant piano: the greatest American performer-archivist of lost show songs is still doing a lot of Coward and Porter and Kern, but in there somewhere are some even rarer and more exotic gems. It's not often, for instance, that you get to hear a song by Anthony Burgess composed 20 years ago for a Broadway musical of "Cyrano de Bergerac," nor yet the Wild Wild Weather" that was Coward's last and most heartbreaking love song. Both are in the Ross repertoire, amid many other treasures.

Away from the piano, the best news of the week is the Bush Theatre production by Simon Stoke of "California Dog Fight," a brief but immensely powerful new American drama by Mark Lee. Set in the dustbowls of the Sacramento delta, this is an 80-minute account of the meeting between two rival teams at an illegal dog duel. On the one hand we have Vern, a lovable ranch-boss widower (John Shrapnel) struggling to find some sort of beauty and meaning even in surroundings as demeaning as these. Helping him are a Butch Stud (Daniel Webb) and his upmarket collegiate girlfriend (Lizzy McMenamy), while ranged against them are the wonderfully evil Rawley (Stuart Wilson), his Nevada casino-girlfriend (Deborah Norton), and a gun-toting sidekick (Jimmy Chisholm) who is as near to mentally defective as makes no difference.

We don't get to see the actual bloodbath, but we do get to learn a lot about its trainers and participants: "California Dog

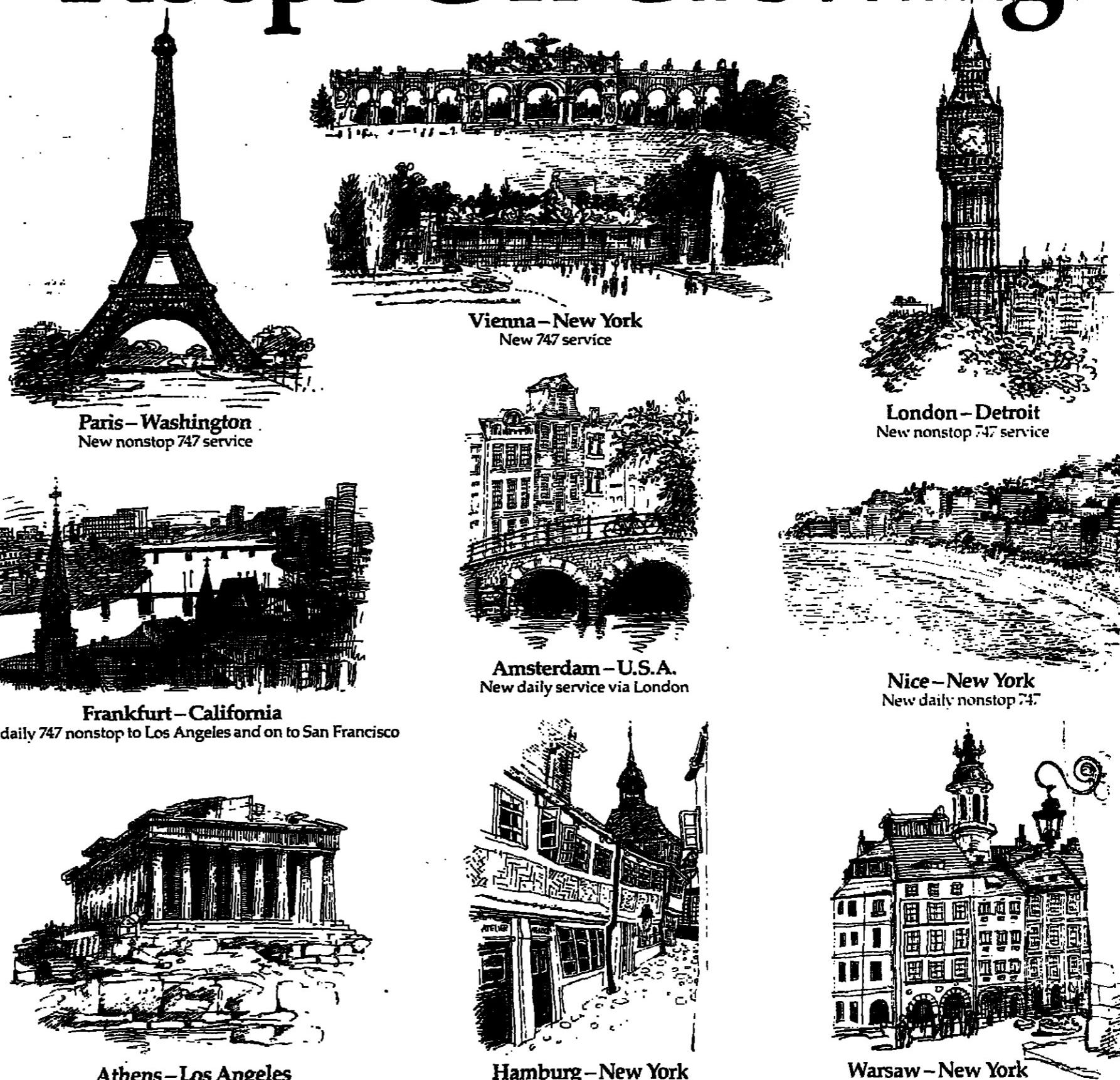
Fight" is the kind of tale that Damon Runyon might have written had he gone West and turned a far nastier. It is shot through with a weary cynicism about man's inhumanity to man and beast alike, but in there too is a lyrical kind of nostalgia for a better West.

Not for the first time, Stoke has pulled together on minimal Bush resources one of the strongest ensemble casts in town, and the result is a powerhouse of memorable performances. If you can imagine "Oklahoma" rewritten by the rotten and rotting Jud, you'll have some idea of what is at stake here beyond the \$1,500 riding on the dogs: "This" as Norton memorably notes, "is God's crookpot and we're what's cooking." "California Dog Fight" is an acutely funny and unmissable account of the American success-dream becoming a nightmare; and to the old observation that there are no second acts in American lives, one might just add that there are no longer many in its theaters either.

**8 Stolen Artworks Found in Box**

The Associated Press

SAN FRANCISCO — Eight artworks, valued at around \$500,000, including two ink drawings by Pablo Picasso, were found in a box at a shopping center after they were reported missing from the Museum of Modern Art, police said Tuesday. Police were tipped off by an anonymous telephone call Monday.

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NYSE Most Actives								
Vol.	High	Low	Last	Chg.	% Chg.	Open	High	Low
EagleAir	17801	295	294	294	+ 24	1340.29	1324.40	1324.40
Uncorp	15200	525	514	514	+ 24	100.20	100.20	100.20
Merck	14000	165	164	164	+ 14	100.20	100.20	100.20
USSteel	12900	202	201	201	+ 14	100.20	100.20	100.20
IBM	11907	125	124	124	+ 14	100.20	100.20	100.20
Chair	10203	275	274	274	+ 14	100.20	100.20	100.20
Texaco	10023	215	214	214	+ 14	100.20	100.20	100.20
AmerEx	9850	475	474	474	+ 14	100.20	100.20	100.20
AT&T	9700	102	101	101	+ 14	100.20	100.20	100.20
Unitel	7197	225	215	215	+ 14	100.20	100.20	100.20
Motorola	1040	14	13	13	+ 14	100.20	100.20	100.20
Reynolds	871	874	873	873	+ 14	100.20	100.20	100.20
Storer	871	874	873	873	+ 14	100.20	100.20	100.20
Petroleo	860	351	348	348	+ 14	100.20	100.20	100.20

Dow Jones Averages								
Open	High	Low	Last	Chg.	% Chg.	Industrials	Transp.	Utilities
Industrials	1340.29	1324.40	1324.40	1324.10	+ 2.24	100.20	100.20	100.20
Transp.	1250.40	1242.20	1242.20	1242.10	+ 2.24	100.20	100.20	100.20
Utilities	1200.40	1204.20	1204.20	1204.10	+ 2.24	100.20	100.20	100.20
Total Issues	1150.20	1150.20	1150.20	1150.20	+ 2.24	100.20	100.20	100.20
New Highs	1100.20	1100.20	1100.20	1100.20	+ 2.24	100.20	100.20	100.20
New Lows	1050.20	1050.20	1050.20	1050.20	+ 2.24	100.20	100.20	100.20
Volume up	900.20	900.20	900.20	900.20	+ 2.24	100.20	100.20	100.20
Volume down	39,477,478	39,477,478	39,477,478	39,477,478	+ 2.24	100.20	100.20	100.20

Dow Jones Bond Averages								
Close	Chg.	Prev.	Advanced	Declined	Unchanged	Net Total	New Highs	New Lows
Bonds	-0.06	-0.06	0	0	0	0	0	0
Utilities	-0.05	-0.05	0	0	0	0	0	0
Industrials	-0.02	-0.02	0	0	0	0	0	0

NYSE Diaries								
Class	Prev.	703	389	1,314	1,314	201	201	201
Advanced	703	389	1,314	1,314	201	201	201	201
Declined	703	389	1,314	1,314	201	201	201	201
Unchanged	703	389	1,314	1,314	201	201	201	201
Total Issues	703	389	1,314	1,314	201	201	201	201
New Highs	703	389	1,314	1,314	201	201	201	201
New Lows	703	389	1,314	1,314	201	201	201	201
Volume up	50,020,000	39,477,478	1,314	1,314	201	201	201	201
Volume down	39,477,478	39,477,478	1,314	1,314	201	201	201	201

NYSE Index								
High	Low	Close	Chg.	% Chg.	Industrials	Transp.	Utilities	Finance
Composite	100.22	100.57	100.22	+ 0.05	100.22	100.12	100.12	100.12
Industrial	100.22	100.57	100.22	+ 0.05	100.22	100.12	100.12	100.12
Transport	100.22	100.57	100.22	+ 0.05	100.22	100.12	100.12	100.12
Utilities	100.22	100.57	100.22	+ 0.05	100.22	100.12	100.12	100.12
Finance	100.22	100.57	100.22	+ 0.05	100.22	100.12	100.12	100.12
Composite	114.94	114.84	114.94	+ 0.04	114.94	114.84	114.84	114.84

# Tuesday's NYSE Closing

Vol. 24 P.M. 182,278,000  
Prev. 4 P.M. vol. 182,278,000  
Prev consolidated close 182,278,000

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.  
*Via The Associated Press*

Close	Prev.	221	185	165	227	227	227	227
Advanced	221	185	165	227	227	227	227	227
Declined	221	185	165	227	227	227	227	227
Total Issues	221	185	165	227	227	227	227	227
New Issues	221	185	165	227	227	227	227	227
Volume up	2,068,000	2,037,000	2,037,000	2,037,000	2,037,000	2,037,000	2,037,000	2,037,000
Volume down	2,037,000	2,037,000	2,037,000	2,037,000	2,037,000	2,037,000	2,037,000	2,037,000

Close	Chg.	Prev.	221	185	165	227	227	227
Composite	221	185	165	227	227	227	227	227
Transport	221	185	165	227	227	227	227	227
Utilities	221	185	165	227	227	227	227	227
Finance	221	185	165	227	227	227	227	227
Composite	185	165	165	227	227	227	227	227
Transport	185	165	165	227	227	227	227	227
Utilities	185	165	165	227	227	227	2	

## Statistics Index

AMEX prices	P.12
AMEX bond/floaters	P.10
NYSE	P. 8
NYSE tickers	P.10
Codon stocks	P.14
Currency rates	P. 9
Currencies	P.12
Diversified	P.12

WEDNESDAY, JULY 31, 1985

## INTERNATIONAL MANAGER

## How to Eliminate the Loser In Corporate Negotiations

By SHERRY BUCHANAN  
*International Herald Tribune*

LONDON — You don't have to be a bully to get what you want from a boss, an employee or a client. According to some negotiating experts, the name of the game is not to kill first to avoid being killed. On the contrary, a successful negotiation results in a "win/win" situation. Each side ends up gaining something.

"Corporations are killing each other in there," said Gerald I. Nierenberg, one of the early developers of negotiation training and the author of several best-selling U.S. books on the subject. "In a successful negotiation, everybody wins." Since 1960, Mr. Nierenberg has trained 135,000 managers to develop negotiating skills. He said managers involved in negotiations with their boss or with a client usually fail on two counts: They are not prepared, and they don't evaluate properly what the other person is thinking.

"Be prepared in depth, read the other's mind and evaluate the emotional climate," he said.

But the message is difficult to get through to many executives who believe that being aggressive and tough is what will get them what they want. "The old idea was the harder I hit you over the head, the more I'll get," said Chris James, in charge of management development at Touche Ross & Co., the British accounting firm. "You never thought, for instance, that once the person's head was broken, the whole deal was lost."

As a result, those in negotiation training often have to reassure some overly aggressive executives that by listening to the other side they won't turn into wimps.

"What managers have to learn is a more interactive approach," said Peter Fleming, previously a sales manager with a British company who now trains managers in negotiating skills at the British Institute of Management, International Computers Ltd., and BMW GB Ltd. "But then the guy thinks you're asking him to be soft. That's the biggest problem."

There is recognition that overkill can be detrimental to the executive's own and the company's interests. Some U.S. companies send their overly aggressive managers to assertiveness training courses to be debriefed. Malcolm E. Shaw, who has trained managers for 15 years at the American Management Association in New York, coaches overly aggressive executives to distinguish between being aggressive and being assertive.

AGGRESSIVE behavior is hostile, injurious or destructive behavior. Being assertive is getting your case across in a positive way without being abusive.

Other companies recognize that, even within their own ranks, managers have to learn to negotiate with each other rather than wage territorial warfare. "That's what we are after, maximizing the win/win situation," said Roy Williams, head of management training and development at Imperial Tobacco Ltd.

Among its management development courses the diversified British group has recently set up training in negotiating skills for its sales, distribution and production departments. The departments had been at loggerheads instead of negotiating a solution for better quality customer service. "You need negotiating skills to work out conflict," Mr. Williams said.

There are a proliferation of experts in negotiation training in the United States, England and Scandinavia. In England, there are 17 institutions — without counting the individual consultants and training experts — that provide courses in negotiating skills such as the British Institute of Management, the Institute of Chartered Accountants and the Industrial Society, a training and advisory service for industry.

Courses in negotiating skills are not as prevalent in France, West Germany or Italy, where many companies believe that negotiation is not something that can be taught but a talent that you are born with. Training in negotiating skills is available at the

(Continued on Page 11, Col. 2)

## Currency Rates

## Cross Rates

	\$	£	DM	FF	Fr.	Yen	DM	FF	Fr.	Yen	DM	FF	Fr.	Yen
Amsterdam	2.387	4.523	124.46*	34.955*	8.127*	135.40*	125.77	34.955*	8.127*	135.40*	125.77	34.955*	8.127*	135.40*
Brisbane (a)	57.19	82.75	20.11	6.65	2.071	77.95	24.784	24.975*	24.975*	24.975*	24.975*	24.975*	24.975*	24.975*
Bremen	2.853	4.845	32.85	8.075	2.075	107.15	45.98	122.85	11.975	122.85	11.975	45.98	122.85	11.975
London	1.425	2.425	12.922	3.625	1.025	121.25	59.02	121.25	1.025	121.25	1.025	59.02	121.25	1.025
Milan	1.861.10	2.702.16	47.05	12.221	3.621	118.82	59.02	121.25	1.025	121.25	1.025	59.02	121.25	1.025
New York (c)	0.9202*	1.425	2.91	0.57	0.175	1.174	0.57	1.174	0.175	1.174	0.175	0.57	1.174	0.175
Tokyo	4.628	7.278	22.647	5.625	1.625	2.708	15.625	15.625	1.625	15.625	15.625	15.625	15.625	15.625
Zurich	2.3915	3.7596	11.465*	2.625	0.725	1.1717	4.125*	4.125*	0.725	4.125*	4.125*	4.125*	4.125*	4.125*
ECU	0.7922	0.5647	2.2426	0.6275	0.1917	1.0225	4.6254	1.0225	0.1917	1.0225	0.1917	4.6254	1.0225	0.1917
1 SDR	1.0228	0.7243	2.2426	0.6275	0.1917	1.0225	4.6254	1.0225	0.1917	1.0225	0.1917	4.6254	1.0225	0.1917

(Continued from Page 11, Col. 2)

## Stock Prices

Plunge in Tokyo 2d Day in Row

## U.K. Stake In Britoil Is Priced

## Sale Will Raise \$638 Million

By Bob Hagerty  
*International Herald Tribune*

LOS ANGELES — The government announced on Tuesday final plans to sell its remaining Britoil PLC shares at a price many analysts regard as cheap but at a time when few investors want to bet heavily on oil firm oil prices.

The government said it is selling 242.6 million Britoil ordinary shares, or 49 percent of those outstanding, for \$493 million (\$38 million), or 185 pence a share.

On the London Stock Exchange, shares in the oil exploration and production company closed at 200 pence, down 5 pence from Monday.

But several oil analysts said that, barring major jolts to oil market in the next week, they expect the offer to attract fairly strong demand. Some said Tuesday's price decline reflected selling by investors who intend to buy shares at the lower offer price.

"You have to be fairly pessimistic about oil prices not to find it attractive," said Michael Unsworth, chief oil analyst at the London stockbrokerage of Scott, Goff, Layton & Co. Compared to similar U.S. companies, he said, Britoil is a "staggering value."

Peter Beck, of Phillips & Drew, predicted that investor response would be "not overly enthusiastic, but enthusiastic enough."

The offer price is well below the 215 pence at which the government sold 51 percent of Britoil to private investors in November 1982.

That sale, coinciding with a drop in oil prices, was a monumental flop. Demand for the shares was slight, and underwriters of the issue were left with huge losses when the share price plummeted as soon as trading began.

Merchant bankers organizing the latest sale said Tuesday they were confident it would not be another slaughter. For one thing, oil prices have climbed moderately in recent weeks, in part because of maintenance work that has reduced output from the North Sea, where nearly all of Britoil's production is located.

In addition, analysts say the offering price compares favorably with other oil shares. Based on Britoil's dividend projection for 1985, the shares are being offered at a gross dividend yield of 10 percent, compared with an average of 7.6 percent for oil companies listed on the London exchange.

As a further inducement, the government is requiring investors to pay only 100 pence per share (Continued on Page 13, Col. 1)

## U.S. Megabuilders Are Scaling Down

## Smaller Market Means Building Bridges, Dams

By Thomas C. Hayes  
*New York Times Service*

LOS ANGELES — A few miles from its futuristic headquarters in Irvine, California, Fluor Corp. is building an \$18-million sewage treatment plant for a planned community near Mission Viejo.

About an hour's drive from its headquarters in San Francisco, Bechtel Group is constructing the \$75-million Sacramento County water system.

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## Latin Nations Seek Flexibility on Debt

United Press International

LIMA — Sixteen Latin American nations have demanded more flexible terms for repaying their debts and described the region's \$360-billion foreign debt as a threat to democracy.

In a document called "The Declaration of Lima," released Monday, the countries blamed protectionist trade policies of industrialized nations for the region's worsening economic crisis.

Protectionism, along with the decline in value of Latin American exports and the "unacceptable weight of foreign debt service," the document said, are factors that "severely affect vast social sectors and compromise the stability of democracy in the region."

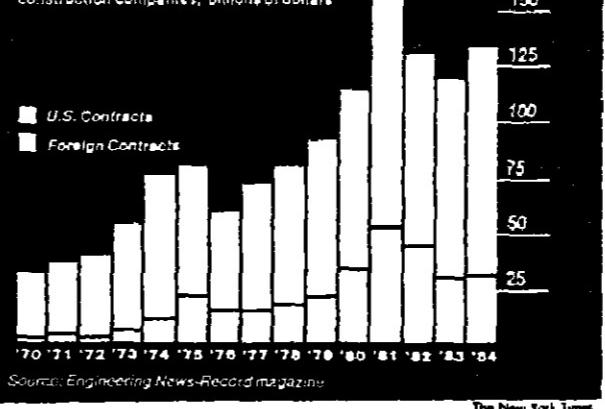
It also called on Latin America's creditors to "adopt flexible and realistic criteria for treating the problem."

The document reiterated a position taken in earlier meetings of the debtor nations, but fell short of backing Peru's decision to limit payments to 10 percent of that nation's export earnings.

The representatives of the 16 countries that signed the document, including six presidents,

## Growth Slows for U.S. Contractors

New contracts awarded to the largest U.S. construction companies, billions of dollars



Source: Engineering News-Record magazine

The New York Times

"We're taking on project management assignments we would never have dreamed of," said David S. Tappan Jr., Fluor's chairman and chief executive.

The megabuilders' drive to grab business of practically any size has made their domestic market hotly competitive. And to keep their bids as low as possible, the big companies are trying to cut costs by reorganizing, laying off employees and hiring more nonunion workers.

The trend to smaller projects has caused culture shock among many managers. "It takes a certain amount of conditioning, a certain amount of pain before it gets accepted," Mr. Tappan said. "It has to be sold to the organization."

Analysts say that even more

internal pain is in store for the megabuilders. They insist they will have to decentralize and improve productivity even further if they are to win contracts away from midsize domestic competitors and increasingly aggressive foreign rivals.

Even with the megaprojects gone, there is a substantial market to fight over. Despite the troubles of the main players, engineering and construction ranks as the biggest industry in the United States. Last year, it accounted for 8.5 percent of the nation's gross national product, the Commerce Department reports. And it is still growing: Defense plants, office towers, homes and other construction (Continued on Page 13, Col. 1)

## Deficit in Trade Widens in U.S. To Near Record

The Associated Press&lt;/



## BUSINESS ROUNDUP

**Bank of America to Cut 2,000 Jobs Worldwide**

*Compiled by Our Staff From Dispatches*  
BANK OF AMERICA — Bank of America announced Tuesday a reorganization of its world banking division that will eliminate 2,000 jobs, about 10 percent of the division's staffing.

The jobs will be eliminated worldwide in 12 to 18 months under the plan, which officials said would save more than \$60 million a year. Other elements of the plan include reorganization of the bank's North America division and further integration of commercial and investment banking activities, officials said.

"The actions that we will take in the months ahead will strengthen our worldwide network delivery ca-

pability and better enable us to grow and build our core international business," said Robert W. Frick, vice chairman of BankAmerica Corp.

The news followed an announcement that BankAmerica, the parent of Bank of America, which reported a net loss of \$338 million for the second quarter, is seeking to sell FinanceAmerica Corp., a commercial and consumer finance company with nearly \$3 billion in assets.

BankAmerica acquired the finance company 11 years ago for \$400 million. It includes a consumer-finance wing with 250,000 customers and makes loans out of 300 offices in 42 states. The unit has been profitable since it was ac-

quired, a bank official said, but had profits of only \$20 million last year on assets of \$2.8 billion.

The sale of the unit is expected to bring BankAmerica \$300 million to \$400 million, Wall Street analysts said.

Part of the reorganization plan announced Tuesday calls for creation of a single worldwide organization called Global Trading that will handle foreign exchange and securities trading 24 hours a day. Other activities, such as correspondent banking and trade finance, will be handled by a new unit called Network Markets.

David A. Couter, a vice president who headed the task force that recommended the changes, was

named chief administrative officer of the world banking division.

Last week, BankAmerica said it was considering several moves to cut its losses, including the closure or sale of 10 to 15 of its 99 branches in Latin America and the Caribbean.

The company said the layoffs are part of a major restructuring that will concentrate on gaining business from larger corporations and on customers that can take advantage of the bank's global network.

Another objective will be to combine foreign exchange, money and securities trading now handled in London, New York, Tokyo and San Francisco, under a single organization. (UPI, Reuters, LAT)

## COMPANY NOTES

Allied Corp. and the U.S. government said they have reached an agreement in principle to settle an antitrust suit that the Justice Department had intended to file challenging Allied's proposed merger with Signal Cos. Allied agreed to sell its turbine starter business to resolve antitrust concerns.

British Telecommunications PLC has sold the government it will not buy shares in Miltel Corp. while its proposed takeover of the Canadian company is being investigated by the Monopolies Commission, the Office of Fair Trading said.

The Evening News Association, which owns The Detroit News and several television stations, has rejected an unfriendly, \$453-million takeover offer from Norman Lear and A. Jerold Perenchio. The Los Angeles entertainment executives, who offered \$1,000 per share in cash, indicated that they might consider selling several of the family-controlled company's assets.

McDonnell Douglas Corp. said it is seeking orders for its proposed MD-11 tri-jet airliner and said the first aircraft could be delivered by the autumn of 1989 if it has sufficient orders by January 1986. Mc-

Donnell Douglas said it is making offers for medium-range, long-range and freighter MD-11s.

Nippon Yusen KK said Tuesday that it will buy three VLCC tankers from Texaco Inc. for about 10 billion yen (about \$42.1 million). A Nippon Yusen spokesman said that the tankers are under charter to Mitsubishi Oil Co. and six to nine years of the 10-year contracts are left to run.

Norske Shell A/S, a subsidiary of Royal Dutch/Shell Group, has found oil that the Norwegian Petroleum Directorate has said had "among the best independent results ever carried out on the Norwegian Continental Shelf." The directorate said that the find, in the Draugen Field off central Norway, tested light oil at 15,700 barrels per day.

Wheelock Mardon & Co. said it has made provisions for losses of up to \$5 million Hong Kong dollars (\$7.1 million) for its half-share in Wheelock Maritime International Ltd. and decided not to provide further assistance to Wheelock Maritime, which reported a net loss of \$10.19 million in the six months ended June 30, 1984. Full results for 1984 have not been disclosed.

Burton, a clothing retailer, is backed in its bid by Habitat Mothercare PLC, another British retailer.

Earlier this year Pan Am announced its intention to sell its Pacific routes to United Airlines.

That move, and the airline's projections that Americans will continue to travel to Europe in record numbers while U.S. travel by Europeans will blossom in 1986, has led to Pan Am's emphasis on expanding its European operations.

Pan Am, which reported a 19-percent increase in trans-Atlantic passenger traffic in June, said last month that during the 1986 peak summer season it will operate 199 weekly nonstop flights between the United States and Europe. That

will be a 36-percent increase from the current peak season.

Gulf International Bank of Bahrain has named Ghazi M. Abdul

**Burton PLC Bid For Debenhams Predicted to Fail**

*International Herald Tribune*  
LONDON — House of Fraser PLC has a strong chance to block Burton Group's £550-million (\$781-million) bid to take over Debenhams PLC, its investment bank said Tuesday.

Fraser, which owns Harrods and 100 other British department stores, said it had raised its stake in Debenhams to 17.52 percent and would continue to buy shares in the company, which also operates department stores. Fraser said it would reject Burton's bid as "inadequate."

Debenhams and Fraser said that they intended to cooperate in their credit-card operations, merchandising and distribution, assuming that the Burton bid fails to win control of Debenhams by Friday's deadline.

On the London Stock Exchange, Debenhams shares slipped 8 pence, to close at 313 pence each, below Burton's cash offer of 327 pence a share, reflecting doubt over the bid's chances of success.

Several analysts said the likely outcome is too close to call. But analysts at both Wood, Mackenzie & Co. and James Capel & Co. said the odds seemed to have moved against Burton.

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## BUSINESS PEOPLE

**Pan Am Names Executive in Europe**

By Brenda Hagerty  
*International Herald Tribune*

LONDON — Pan American World Airways has announced the appointment of a top executive in Europe at a time when the airline is experiencing "a banner trans-Atlantic summer season" and is making plans to expand its European operations next summer.

The New York-based carrier named Frederick Reid managing director for France, Spain, Portugal and North Africa. Based in Paris, he succeeded Armand Arc, who has become Pan Am's regional managing director for the south United States, based in Miami.

Mr. Reid turned over his duties as the airline's director for India, Bangladesh, Sri Lanka and Nepal to Randall Johnson, who formerly was based in Johannesburg, a head of South African operations.

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Jawad, formerly assistant general manager, to general manager. He succeeds Sultan N. al-Suwaidi, who joined Abu Dhabi Commercial Bank.

Bank Julius Baer & Co., Zurich, said Hardy Böckli, head of its precious metals department, is leaving the bank at year's end to establish his own consulting firm. Diego Rusca will take on the responsibility for trading in precious metals on Jan. 1.

Taiyo Kobe Bank Ltd. has set up a subsidiary in London that will serve as the vehicle for its international capital markets activities. The unit, Taiyo Kobe International Ltd., is headed by Shouichi Misaki and Susumu Suzuki.

Hewlett-Packard Co., a U.S. maker of electronic instruments and computers, has named John Golding U.S. sales manager for personal computers. Succeeding him in Geneva as European sales manager for PCs is Roland Fleischman. Kalle Puonti was named to succeed Mr. Golding as marketing manager for personal computers in Europe.

Union Carbide Reorganization Is Said To Include Naming 2 'Co-Presidents'

*Associated Press*

DANBURY, Connecticut — Union Carbide Corp. will reorganize its top management, creating two "co-presidents" for the giant chemicals company, according to a published report Tuesday.

The reorganization was expected to include naming Alex Flamm, now president and chief operating officer, to a new position of vice chairman, the News-Times of Danbury reported. Replacing Mr. Flamm and becoming co-president will be Robert D. Kennedy and Heinrich F. Tomofohrde 3d, the newspaper reported.

Mr. Kennedy will be a co-president with responsibility for the company's industrial operations, while Mr. Tomofohrde will be a co-president with responsibility for the chemical operations, the newspaper said.

The reorganization would follow steps taken last week by Carbide's board to amend corporate bylaws to make a hostile takeover more difficult and less lucrative for any potential buyer. The company's stock price has been under pressure since the chemical leak last December at a Union Carbide plant in Bhopal, India, that killed about 2,000 people. Billions of dollars in lawsuits have been filed against the company because of the disaster.

In addition, the News-Times reported that Union Carbide is expected to offer its employees an early-retirement program aimed at reducing its worldwide employment levels about 15 percent. Carbide employs about 2,900 people at its corporate headquarters, about 45,400 in its domestic operations, and another 46,700 people worldwide.

## CURRENCY MARKETS

**Dollar Ends Lower in New York Trading**

*Compiled by Our Staff From Dispatches*

NEW YORK — The Confederation of British Industry said Tuesday that its latest quarterly survey of manufacturing companies suggests that economic growth in Britain may be moderating.

"Business is now revising its forecast of growth downwards, faced with continued high interest rates and the consequent appreciation of the pound," said David Wiggleworth, chairman of the CBI's economic situation committee.

"Prospects for the next few months are less buoyant than shown in our last few surveys," Mr. Wiggleworth said. "The proportion of companies expecting output to rise is down compared with the last two surveys, as is the expected rise in new orders. Much of the worsening of prospects can be attributed to overseas sales."

downward revision to the May sales rise.

Dealers said the dollar was also depressed by a deadlock in Washington on ways to reduce the federal budget deficit.

The drop in the dollar gathered pace as the International Monetary Fund stepped up foreign-currency purchases, while the lows of the day were plumbed in response to news that Peru had closed the nation's banks for two days, they said.

Against the British pound, the dollar slipped to \$1.4230 from \$1.4225. Other late New York rates, compared with Monday, included: 8.5700 French francs, down from 8.6375; 2.2980 Swiss francs, down from 2.3100; 1.8910 Italian lire, down from 1.905.00; and 57.05 Belgian francs, down from 57.22.

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House of Beef

Across the Washington Mall  
OUR 4th YEAR

## INTERNATIONAL HERALD TRIBUNE

## Opening for Talks

Is Seen in Moscow

By MICHAEL J. LEE

Special to The Washington Post

After weeks of talks, the

U.S. and Soviet delegations

were unable to agree on a

new round of negotiations

on裁军和裁军监督

在莫斯科举行。

但双方都同意在

今年晚些时候再会面。

苏联外长谢瓦尔德纳

内斯科夫说:

“我们希望在秋天

或冬天再会面。”

但美国国务院

发言人说:

# Tuesday's AMEX Closing

Tables include the nationwide prices  
up to the closing on Wall Street  
and do not reflect late trades elsewhere.  
Via The Associated Press

12 Month  
High Low Stock Div. Yld. PE \$s  
High Low Close  
Stock Div. Yld. PE \$s  
High Low Close  
Stock Div. Yld. PE \$s  
High Low Close  
Stock

**A**

Symbol	Name	Div.	Yld.	PE	\$s	High	Low	Close	Chg.
74 250 ADI	Adi	24	24	45	45	45	45	45	+1
264 82 ALLO	Allo	12	12	22	22	22	22	22	-1
229 12 AMCN	Amcn	12	12	22	22	22	22	22	-1
595 42 AT&T	At&t	5.07	6.2	72	72	72	72	72	-1
62 218 AT&T	At&t	5.07	6.2	72	72	72	72	72	-1
185 16 AT&T	At&t	5.07	6.2	72	72	72	72	72	-1
714 15 AT&T	At&t	5.07	6.2	72	72	72	72	72	-1
284 284 AT&T	At&t	5.07	6.2	72	72	72	72	72	-1
574 595 AT&T	At&t	5.07	6.2	72	72	72	72	72	-1
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## Economic Slowdown Seen for Japan

Reuters

TOKYO — The Japanese economy is heading toward a significant slowdown with exports rapidly losing momentum and domestic demand expected to decline, the Mitsubishi Research Institute Inc. said Tuesday.

The institute said that Japan's gross national product should rise 3.6 percent in the fiscal year ending March 31, 1986, and 2.1 percent in the next fiscal year GNP, which measures the total value of a nation's goods and services, including income from foreign investments, rose 5.7 percent during the year ending March 31, 1985.

"A major problem for the Japanese economy is that exports, which had been the dominant growth element, are rapidly losing their momentum," the report said. Despite a rise in automobile exports to the United States since

April, there is increasing evidence that other Japanese exports are declining, Mitsubishi Research said.

Domestic demand is not replacing foreign demand at sufficient levels to sustain expansion, the report said, and the growth rate is expected to drop to 3.1 percent in fiscal 1986 and 2.4 percent in 1987 from 4.1 percent in the last fiscal year.

The corporate investment growth rate is expected to fall to 4.8 percent in the current fiscal year from 10.3 percent in 1985.

The institute said that personal consumption in the current year is expected to grow 2.9 percent, better than the 1985 gain of 2.6 percent. It also said that the consumer price index should rise 2.3 percent in 1986 and 1.9 percent the following year after a 3.3-percent year-to-year increase in May, Reuters reported from Tokyo.

## U.S. Megabuilders Are Scaling Down

(Continued from Page 9)

completed last year in the United States increased by 16 percent, to \$313 billion, over 1983.

The long term also holds promise. The greatest potential for the future, analysts say, lies in so-called infrastructure projects: the bridges, dams, highways, telecommunications systems, mass transit systems, water treatment projects and hazardous waste plants that the United States will require before the end of the century.

But for now, this market is only inching along. State and local government spending on public works

projects is not expected to increase by more than 1.5 percent annually.

"We're not going to see a massive upswing in public works spending in the next five years," said Patrick H. MacAuley, a Commerce Department economist.

"There is just too much budget pressure."

To take advantage of what infrastructure market there is, says Karen Uebelhart of Oppenheimer & Co., the big companies must decentralize, opening regional offices rather than handling all bidding and design work from headquarter.

The essential service market is durable, but it is primarily local," said Mark A. Mine, vice president for business development.

According to Mr. Mine, the big companies are not yet bidding against each other on these projects, but, as Eric R. Zausner, a senior vice president of consultants Booz, Allen & Hamilton Inc., it is only a matter of time before URS and other small companies begin to feel the heat from the construction behemoths.

Indeed, the giants are getting into fighting trim for the impending bidding wars. With 70 percent of contracts going to nonunion operators, many are investing more in their non-union divisions.

The government is retaining a single so-called "golden share" in Britoil, which allows it to block any unwanted takeover bids.

## Britoil Shares Priced by U.K.

(Continued from Page 9)

initially. The remaining 85 pence is due Nov. 1.

Eighty percent of the shares are being offered in Britain. A group of banks led by Swiss Bank Corp. International Ltd. is offering 10 percent in continental Europe, and Wood Gunday Inc. of Canada is offering the same amount in that country.

Lazard Brothers & Co., the British merchant bank advising the government on the sale, said off-

cials decided against offering a portion of shares in the United States because of the cost and complexity of complying with U.S. securities rules. Britoil officials said they hope eventually to arrange for U.S. trading of the shares in the form of American Depository Receipts.

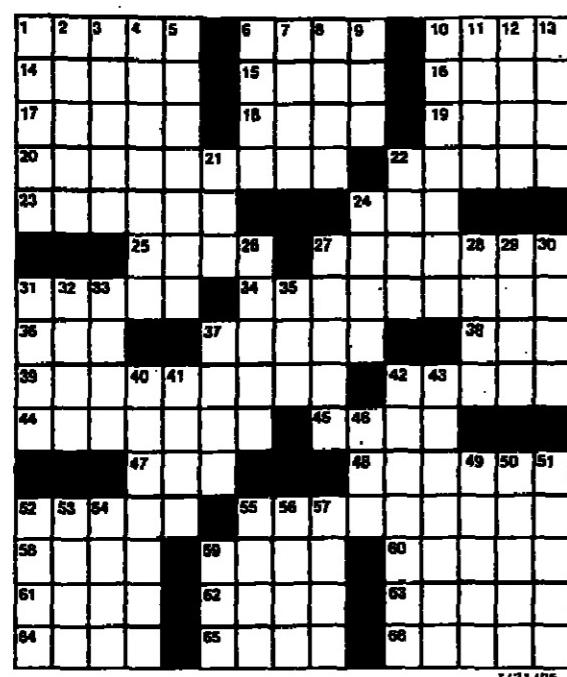
Applications for the British portion of the offer are due by 10 A.M. on Aug. 8.

The government is retaining a single so-called "golden share" in Britoil, which allows it to block any unwanted takeover bids.

## Tuesday's OTC Prices

NASDAQ prices as of 3 p.m. New York time.  
Via The Associated Press

72 Month High	Low	Stock	Sales	In	High	Low	3 P.M. Close
Div.	Vol.						
<b>A</b>							
<b>B</b>							
11 ADD TI	10	250	15	15	15	15	15
12 AFG	10	250	250	250	250	250	250
13 AGR	10	250	250	250	250	250	250
14 Airtex	10	13	13	13	13	13	13
15 Airtex	10	13	13	13	13	13	13
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**ACROSS**

- 1 Civil-rights org.
- 6 Candida's creator
- 10 German philosopher
- 14 Saul's witch of
- 15 Fooafarow
- 16 Descendant of Fatima
- 17 Like a dum-dum
- 18 Exude
- 19 Brilliant star
- 20 Inventor
- Edwin's cloak (or painting)
- 22 Hoosiegow
- 23 Glabrous
- 24 Thus far
- 25 Superman's Lane
- 27 Strategic position
- 31 European spa
- 34 Tiny paladin (or Monday evening)
- 36 Macaw
- 37 Flies high
- 38 Actress Charlotte
- 39 Moscow names (or editors)
- 40 Jogs
- 44 Deep-voiced woodwind
- 45 Take Train

**DOWN**

- 47 Flatfoot
- 48 Historic records
- 52 Tumult
- 55 Own a nanny (try)
- 58 Drama's conflict
- 58 Hunkydory
- 60 Callas role
- 61 Discovery
- 62 Author of "Bible Cry"
- 63 Amount to \$4
- 64 Those opposed
- 65 Courteous bloke
- 66 Lewis Carroll animal
- 67 Simon and Sedaka
- 68 Former Indo-chinese state
- 73 "A Bell" for —
- 74 Give space to 5 Star of "The Music Man"
- 75 Burns
- 76 Loft the golf ball
- 77 Exchange rate
- 78 Maxilla or molar
- 79 Related
- 80 Laundry
- 81 Climbs
- 82 Self-composed
- 82 Group of keleps (or lessors)
- 83 City on the Irrawaddy
- 84 Some meat . . .
- 85 Burns
- 86 Main artery
- 87 University at Beaumont, Tex.
- 88 Approach stealthily
- 89 Loft the golf ball
- 90 Exchange rate
- 91 Amahl's creator
- 92 Lepord
- 93 Maxilla or molar
- 94 Laundry
- 95 Related
- 96 Laundry
- 97 Laundry
- 98 Laundry
- 99 Laundry

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### DENNIS THE MENACE



**JUMBLE** THAT SCRABLED WORD GAME by Henn Arnold and Bob Lee

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

**DRECY**

Our new chairman

**NACHT**

HOW THE BIG VOTE TURNED OUT AT THE OPTICIANS' CONVENTION.

**RATYGE**

Now arrange the circled letters to form the sentence above, as suggested by the above cartoon.

**HALVIS**

Answer here: THE

(Answers tomorrow)

Yesterday's Jumble: FAINT DICED INFIRM JESTER  
Answer: What a sponger needs in order to keep afloat—A RAFT OF FRIENDS

### WEATHER

#### EUROPE

HIGH LOW

Aberdeen 18 24 F C P

Amsterdam 18 24 14 57 C P

Bern 25 27 25 58 C P

Brussels 25 27 25 58 C P

Berlin 27 25 15 57 C P

Brussels 25 27 25 58 C P

Copenhagen 25 27 25 58 C P

Dublin 18 24 14 57 C P

Florence 24 25 14 57 C P

Frankfurt 22 25 14 57 C P

Gelsenkirchen 25 27 25 58 C P

Istanbul 24 25 14 57 C P

Las Palmas 25 27 25 58 C P

Lisbon 25 27 25 58 C P

London 25 27 25 58 C P

Madrid 25 27 25 58 C P

Milan 25 27 25 58 C P

Munich 25 27 25 58 C P

Nice 25 27 25 58 C P

Paris 25 27 25 58 C P

Prague 25 27 25 58 C P

Stockholm 25 27 25 58 C P

Toronto 25 27 25 58 C P

Vienna 25 27 25 58 C P

Warsaw 25 27 25 58 C P

MIDDLE EAST

Ankara 31 35 11 32 C P

Bahrain 27 29 19 59 C P

Beirut 27 29 19 59 C P

Baghdad 27 29 19 59 C P

Jerusalem 30 32 19 59 C P

Tel Aviv 27 29 19 59 C P

OCEANIA

Auckland 16 21 8 44 C P

Sydney 20 24 8 44 C P

Singapore 20 24 8 44 C P

Wellington 20 24 8 44 C P

Tokyo 25 27 14 57 C P

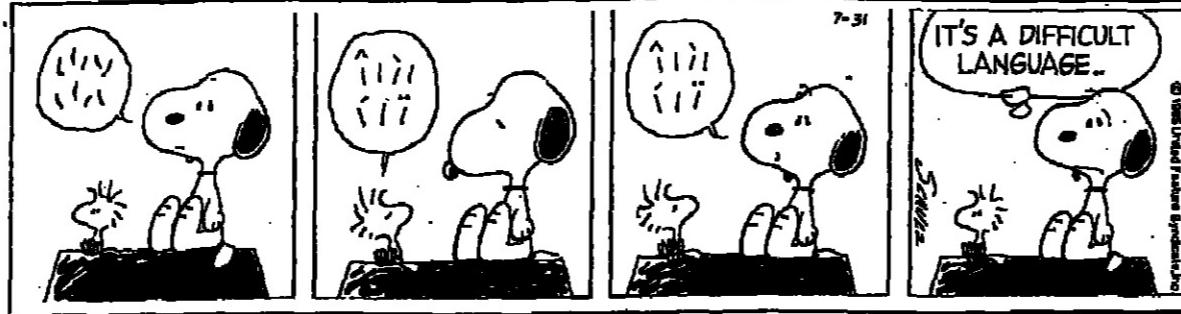
Manila 25 27 14 57 C P

Sydney 20 24 8 44 C P

Singapore 20 24 8 44 C P

Weather Forecast: Moderate, FRANKFURT: Showers, Temp. 21-22 (70-74). LONDON: Overcast, Temp. 13 (68-73). MILAN: Partly cloudy, Temp. 20-22 (70-74). PARIS: Variable, Temp. 20-22 (70-74). ROME: Partly cloudy, Temp. 20-22 (70-74). TOKYO: Partly cloudy, Temp. 20-22 (70-74). MANILA: Showers, Temp. 20-24 (68-73). SINGAPORE: Partly cloudy, Temp. 20-22 (70-74). TAIPEI: Partly cloudy, Temp. 20-22 (70-74).

### PEANUTS



### BLONDIE



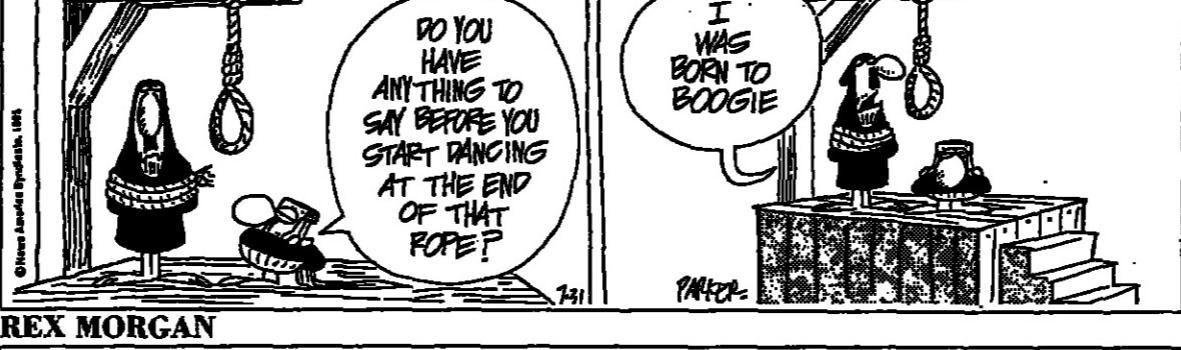
### BEETLE BAILEY



### ANDY CAPP



### WIZARD of ID



### REX MORGAN



### CARFIELD



### World Stock Markets

Via Agence France-Presse July 30

Closing prices in local currencies unless otherwise indicated.

#### Amsterdam

Class Prev.

ABN 505.50 505.50

AEGON 100 100

AfA 125 125

AMF 245.50 245.50

Amico Rubber 107 107

Amro Bank 107 107

ANWB 245.50 245.50

APC 100 100

Arco 100 100

ASML 100 100

Atmos 100 100

Aviaco 100 100

Baarn 100 100

Banque 100 100

Barat 100 100

## SPORTS

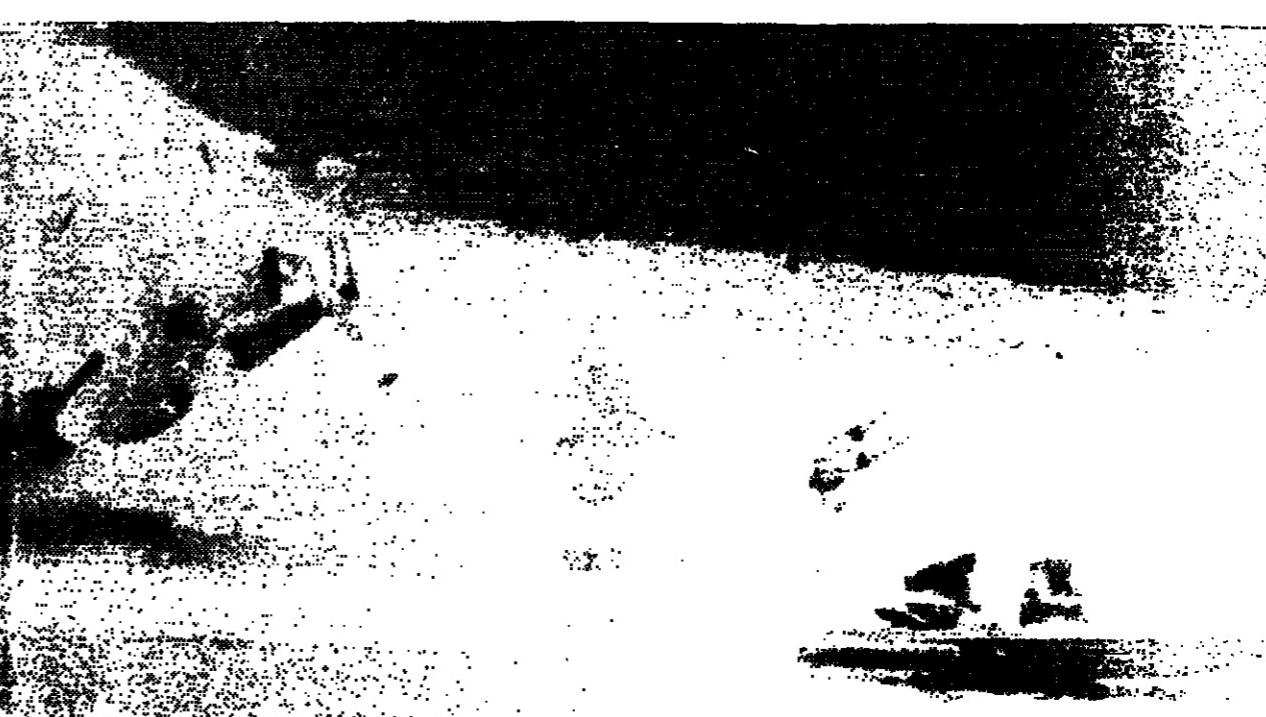
Sports reporter is present  
at the first game of the  
World Cup. The reporter  
is interviewed by a local  
newspaper. The reporter  
is asked about the team's  
strategy and how they  
plan to play against their  
opponents. The reporter  
replies that they will play  
defensively and try to score  
as many goals as possible.  
The reporter also mentions  
that they have been training  
hard and are confident in  
their abilities.

## BEST SELLERS

The New York Times  
Sports section is the best  
seller in the newspaper.  
It has won several awards  
and is highly regarded by  
readers.

## Bailing Out

Jon Barrett, from East Peoria, Illinois, was thrown from his boat, left, as it crashed at more than 130 miles (209 kilometers) per hour during a heat of the American Drag Boat Association races Sunday at High



Point, North Carolina. Barrett then tumbled across the lake's surface, right, dragging an emergency parachute, as his boat disintegrated behind him. He was taken to a hospital, but was not seriously injured.

## Talks: Now to the Hard Parts

## All Minor Issues Settled, but Strike Deadline Is Looming

The Associated Press

**NEW YORK** — With one week remaining before a strike deadline, major league baseball's players and owners finally have cleared up almost all the so-called minor issues and are ready to tackle the remaining problems that separate them.

On Monday, the two sides re-

solved such mainly non-economic matters as waiver procedure and spring training operations.

"We will try over the next 12 hours to get them down on paper and, beginning tomorrow morning, we'll go back to the remaining issues," said Don Fehr, acting executive director of the Major

## Tub of Goo' Gets His Fat Chance on TV

The Associated Press

**NEW YORK** — Terry Forster, the Atlanta Braves' "Fat Tub of Goo," got his opportunity Monday to face off with the man who gave him that nickname, television talk show host David Letterman.

During a recent monologue at the start of NBC's "Late Night with David Letterman," the comedian said he had seen Forster, a rotund left-hander, in action, and made several cracks about the pitcher's expanded waistline.

"My first reaction," said Forster, "was that this guy dogged me. I'm going after him and I'm going to sue him. And then after I took a shower and looked at myself in the mirror, I said, no, the guy's right. How can I sue him?"

"You know, I haven't always been this big. It just snacked up on me."

Letterman said he had second thoughts about his comments.

"It just started out as kind of a joke," Letterman said.

said. "Then I'm driving home and I thought to myself: now wait a minute, I just went on network TV — or at least NBC — and I called a man a fat tub of goo. And regardless of how funny or not funny a person might think that is, if you start thinking about it, that's not a real flattering thing to say."

Letterman brought out two baseball cards, the first from Forster's 1971 season with the Chicago White Sox, the other his current card. Both cards, Letterman noted, showed Forster's weight as 210 pounds (95.2 kilograms).

"It's amazing what a little money will do for you," Forster said.

"I weigh probably between your weight and Jumbo the Elephant . . . I'm probably closer to the elephant's weight right now. I know there's a couple on our team who are close. I can't mention any names. They told me if I did they'd never ever catch a ground ball for me again."

## SCOREBOARD

## Baseball

## Monday's Major League Line Scores

AMERICAN LEAGUE						
	G	A	B	R	H	Pct.
Toronto	63	60	58	1	9	.481
Baltimore	61	59	60	3	10	.471
Kansas City	61	59	60	3	10	.471
New York	61	59	60	3	10	.471
Montreal	61	59	60	3	10	.471
Seattle	61	59	60	3	10	.471
St. Louis	61	59	60	3	10	.471
Chicago	61	59	60	3	10	.471
Minnesota	61	59	60	3	10	.471
Milwaukee	61	59	60	3	10	.471
Cleveland	61	59	60	3	10	.471
Califonia	61	59	60	3	10	.471
Kansas City	53	44	54	2	10	.471
Oakland	51	47	52	5	10	.471
Chicago	51	47	52	5	10	.471
Minnesota	51	47	52	5	10	.471
Texas	51	47	52	5	10	.471
West Division						
St. Louis	59	52	59	2	10	.471
New York	59	52	59	2	10	.471
Montreal	59	52	59	2	10	.471
Seattle	59	52	59	2	10	.471
St. Louis	59	52	59	2	10	.471
Chicago	59	52	59	2	10	.471
Minnesota	59	52	59	2	10	.471
Texas	59	52	59	2	10	.471
NATIONAL LEAGUE						
East Division						
St. Louis	59	52	59	2	10	.471
New York	59	52	59	2	10	.471
Montreal	59	52	59	2	10	.471
Seattle	59	52	59	2	10	.471
West Division						
Los Angeles	57	40	57	5	10	.471
San Diego	57	40	57	5	10	.471
San Francisco	57	40	57	5	10	.471
Colorado	57	40	57	5	10	.471
San Francisco	57	40	57	5	10	.471
West						
St. Louis	59	52	59	2	10	.471
New York	59	52	59	2	10	.471
Montreal	59	52	59	2	10	.471
Seattle	59	52	59	2	10	.471
St. Louis	59	52	59	2	10	.471
Colorado	59	52	59	2	10	.471
West						
St. Louis	59	52	59	2	10	.471
New York	59	52	59	2	10	.471
Montreal	59	52	59	2	10	.471
Seattle	59	52	59	2	10	.471
St. Louis	59	52	59	2	10	.471
Colorado	59	52	59	2	10	.471

## Major League Baseball Leaders

NATIONAL LEAGUE						
	G	A	R	H	Pct.	
McGee, SL	91	85	62	19	.233	
Gordon, LA	91	85	62	20	.233	
Herr, SL	91	85	57	115	.233	
Templeton, SD	91	85	57	115	.233	
Porter, CH	91	85	57	115	.233	
Conrad, SD	91	85	57	115	.233	
Schoen, CH	91	85	57	115	.233	
Reiter, M	91	85	66	108	.233	
Hernandez, NY	91	85	71	107	.233	
Hernandez, NY	91	85	71	107	.233	
Hernandez, NY	91	85	71	107	.233	
Russell, AL	91	85	71	107	.233	
McGee, SL	91	85	71	107	.233	
Porter, CH	91	85	71	107	.233	
Conrad, SD	91	85	71	107	.233	
Schoen, CH	91	85	71	107	.233	
Reiter, M	91	85	71	107	.233	
Hernandez, NY	91	85	71	107	.233	
Hernandez, NY	91	85	71	107	.233	
McGee, SL	91	85	71	107	.233	
Porter, CH	91	85	71	107	.233	
Conrad, SD	91	85	71	107	.233	
Schoen, CH	91	85	71	107	.233	
Reiter, M	91	85	71	107	.233	
Hernandez, NY	91	85	71	107	.233	
Hernandez, NY	91	85	71	107	.233	
McGee, SL	91	85	71	107	.233	
Porter, CH	91	85	71	107	.233	
Conrad, SD	91	85	71	107	.233	
Schoen, CH	91	85	71	107	.233	
Reiter, M	91	85	71	107	.233	
Hernandez, NY	91	85	71	107	.233	
Hernandez, NY	91	85	71	107	.233	
McGee, SL	91	85	71	107	.233	
Porter, CH	91	85	71	107	.233	
Conrad, SD	91	85	71	107	.233	
Schoen, CH	91	85	71	107	.233	
Reiter, M	91	85	71	107	.233	
Hernandez, NY	91	85	71	107	.233	
Hernandez, NY	91	85	71	107	.233	
McGee, SL	91	85	71	107	.233	
Porter, CH	91	85	71	107	.233	
Conrad, SD	91	85	71	107	.233	
Schoen, CH	91	85	71	107	.233	
Reiter, M	91	85	71	107	.233	</td

